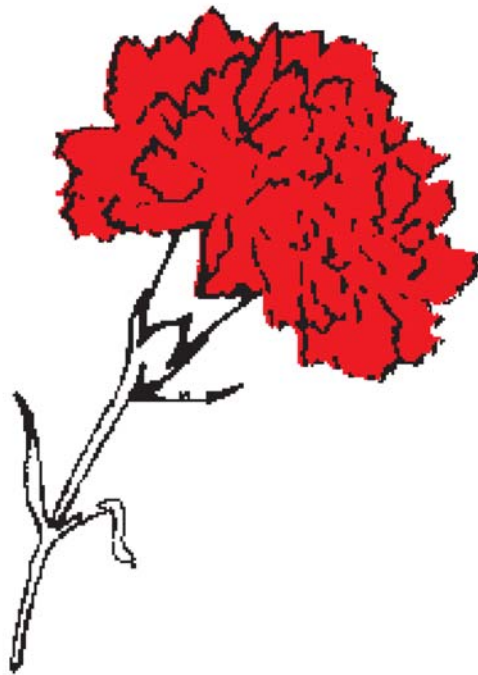


# **City of Alliance, Ohio**

“The Carnation City”



## **Annual Comprehensive Financial Report**

For the Year Ended December 31, 2023





65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Members of City Council  
City of Alliance  
504 East Main Street  
Alliance, Ohio 44601

We have reviewed the *Independent Auditor's Report* of the City of Alliance, Stark County, prepared by Julian & Grube, Inc., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Alliance is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 13, 2024

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**CITY OF ALLIANCE, OHIO**  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2023

KEVIN KNOWLES  
CITY AUDITOR

PREPARED BY THE CITY AUDITOR'S OFFICE

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**CITY OF ALLIANCE, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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# INTRODUCTORY SECTION

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The City of

**Alliance,** OHIO, 44601-2415

"The Carnation City"

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June 25, 2024

Honorable Citizens of Alliance  
and Members of City Council  
Alliance, Ohio 44601

### Transmittal Letter

The Annual Comprehensive Financial Report of the City of Alliance, Ohio (the "City") is hereby presented. This report represents the official report of the City of Alliance's operations and financial position for the year ended December 31, 2023 and has been developed to accurately detail the status of City finances to Alliance residents and elected officials, investment banks, underwriters and all other interested parties. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Accounting Principles Generally Accepted in the United States of America (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Alliance's MD&A can be found immediately following the Independent Auditors' Report.

### **Reporting Entity**

The City has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement (GASB) No. 14, "*The Financial Reporting Entity*" as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*" and GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*". In evaluating how to define the City for financial reporting purposes, management has considered all agencies, departments and organizations making up the City of Alliance (the primary government) and its potential component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Alliance, this includes the departments and agencies that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, municipal court and general administrative services. The Alliance City Health Department is a component unit of the City.

## **The City of Alliance**

The City of Alliance is located primarily in the northeastern portion of Stark County, with a small area in the southwestern portion of Mahoning County, in Northeastern Ohio on the headwaters of the Mahoning River. The City is approximately 18 miles northeast of Canton, the Stark County seat, approximately 55 miles southeast of Cleveland and approximately 79 miles northwest of Pittsburgh, Pennsylvania. It was incorporated as a village in 1854 and became a city in 1889.

The City is in the Canton Metropolitan Statistical Area (MSA), comprised of the Ohio counties of Carroll and Stark, which is the 128<sup>th</sup> largest of 366 MSA's in the United States (based on the 2010 census). The City's population of 21,672 placed it as the third largest city in the County. The City's area is 8.677 square miles, of which approximately 8.6 square miles are located in Stark County and .077 square miles are located in Mahoning County.

The City is served by diversified transportation facilities, including five State and U.S. highways, which provide easy access to Interstate Highways 76, 77, and 80 (the Ohio Turnpike). It is adjacent to areas served by Norfolk-Southern Corp., and Amtrak, which provides freight and passenger rail services through a station located in the City. Passenger air service is available at the Akron-Canton Regional Airport located 25 miles west of the City, the Youngstown/Warren Regional Municipal Airport located 35 miles northeast of the City and Cleveland Hopkins International Airport located 55 miles northwest of the City.

Public Transportation is provided by Stark Area Regional Transit Authority (SARTA) which offers fixed route and curb service within and between the cities of Stark County.

The City is provided with banking and financial services by six commercial banks and banking associations operating a total of eight offices within the City (each with principal offices located elsewhere) and five credit unions.

One daily newspaper serves the City. The City is within the broadcast area of numerous television stations and AM and FM radio stations. Time Warner Cable and AT&T provide multi-channel cable TV service.

The University of Mount Union, a private four-year university with a total enrollment of approximately 2,200 students, is located in the City. Stark State College operates a satellite center within the City. In addition, within commuting distance are several public and private two-year and four-year colleges and universities, including the University of Akron, Kent State University, Northeastern Ohio College of Medicine located in Rootstown Township, Portage County, Walsh University located in the City of North Canton, Stark County, Malone College located in the City of Canton, Stark County, and Stark State College of Technology located in Jackson Township, Stark County.

The City is served by Alliance Community Hospital (ACH), a 204-bed non-profit hospital founded in 1901. Another 78-nursing home/transitional care beds are found in the attached, long-term care facility, Community Care Center. ACH is fully accredited by the Joint Commission on Accreditation of Health care Organizations (JCAHO) and offers a quality medical staff of more than 150 active and covering physicians.

Various recreational and cultural facilities are immediately available to City residents. The City operates a park system of 13 parks and parklands encompassing 190 acres with facilities that include tennis courts, baseball diamonds, basketball and volleyball courts and soccer fields. The City has a city owned pool at the Robertson Community Center.

In addition, 2,700 acres of recreational areas including lakes, reservoirs, trails and parks are located in the surrounding areas.

“Carnation Days”, an annual festival, is celebrated throughout the City for ten days each August. Activities include a festival pageant, parade, concessions and games, musical events, and arts and crafts.

A Senior Citizens Center is located in the City. It offers a multitude of services and social activities for people over sixty and retirees of the community.

The City is also home to the “Carnation City Players” that produces and presents theatrical productions in the Firehouse Theater several times each season.

Water service within the City is provided by the City’s water system and is purchased directly by consumers. Sewage collection and disposal is handled by the City’s sewage system. Through the City’s electric aggregation, First Energy (formerly the Ohio Edison Company) provides electricity and through the City’s gas aggregation, natural gas is provided by Columbia Gas of Ohio, Inc. The local provider of telephone service is AT&T.

### **City Government**

The City operates under and is governed by the mayor-council form of government in accordance with general laws. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws.

Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, for two-year terms. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President, who is elected by the voters for a two-year term.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The other elected officials are the City Auditor, the City Treasurer, and the City Director of Law, each elected to a four-year term, and the Clerk of Courts and Judge, each elected to a six-year term.

The Mayor appoints the directors of City departments. The major appointed official is the Director of Public Service and Safety. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council officers and employees and the City Income Tax Administrator who is appointed by the City Auditor. The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of all members of the Council.

### **Financial Matters**

The City's fiscal year corresponds with the calendar year. The main sources of City revenue have been from property and income taxes, charges for services, and State distributions. The responsibilities for the major functions of the City are divided among the Mayor, the City Auditor and the Council.

The City Auditor is the City's fiscal and chief accounting officer. Among his duties are to keep the books and accurate statements of all moneys received and expended and of all taxes and assessments; at the end of each fiscal year, or more often if requested by the Council, to examine all accounts of City officers and departments and not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item to be drawn upon for any other purpose, or a voucher to be paid unless sufficient funds are in the City treasury to the credit of the fund on which the voucher is drawn. The City Treasurer is responsible for receiving, maintaining custody of and disbursing all City funds.

Investments and deposits of City funds are governed by the Uniform Depository Law (Chapter 135 of the Ohio Revised Code) applicable to all subdivisions. An investment board, comprised of the Mayor, the City Auditor, the Law Director, the Treasurer and a member of the business community, is responsible for those investments and deposits. Under recent and current practices, investments are made primarily in federal agency securities, U.S. Government money market mutual funds, commercial paper, Negotiable Certificates of Deposit (CD's), Municipal Bonds, U.S. Treasury Notes, and STAR Ohio (State Treasury Asset Reserve of Ohio), an investment pool for all Ohio political subdivisions, under the custody and management of the Treasurer of the State of Ohio. Investments in 2023 consist of STAR Ohio and a portfolio of investments through Meeder Investment Management.

Other important financial functions include general financial recommendations and planning by the Mayor; budget preparation by the Mayor with assistance of the City Auditor; and express approval of appropriations by the Council. For property taxation purposes, assessment of real property is performed by the Stark and Mahoning County Auditors, subject to supervision by the State Tax Commissioner, and assessment of public utility and tangible personal property is performed by the State Tax Commissioner. Property taxes and assessments are billed and collected by county officials in Stark and Mahoning Counties.

### **Economic Conditions and Financial Outlook**

The City of Alliance, like many local government entities are dealing with revenue reductions, due to the elimination and decline of various sources, including the State of Ohio Estate Tax, Local Government Funding as well as the phase-out of payments made by the State to local governments for revenues once collected on tangible personal property and certain types of electricity generation. The combined effects of these losses along with increased costs, such as employee healthcare, wages and benefits, have been factors in the decline.

Prior to 2019, the City experienced a steady decline in its general fund cash balance, in part due to a structural deficit as expenses have consistently exceeded revenues. The general fund balance cash shrunk from a high of \$3.9 million in 2011 to a cash carryover of \$445,233 at December 31, 2018. This has rebounded in the past three years and the cash carryover at December 31, 2021 was \$2,346,903. At December 31, 2022 this amount increased to \$3,773,448 and increased again at December 31, 2023 to \$4,765,740. In 2017 Moody's downgraded the City's rating on its outstanding general obligation debt from A1 to A2. This came after downgrading the City from Aa3 to A1 in 2015. The City's finances were boosted in 2020 by utilizing \$1.2 million dollars of CARES Act funds towards payroll.

The City has attempted to reduce expenditures by attrition and incorporating part-time staff in virtually all departments. The City has incorporated modifications to its self-funded health care program which includes a wellness component, increased employee contributions, and spousal carveout with all bargaining units.

The Income Tax Department has increased collection efforts pursuing back taxes via civil and criminal court action. The City has also partnered with the Cleveland Income Tax Agency to pursue individuals that have not filed City income tax. The Tax Department also began certifying delinquent tax account to the Ohio Attorney General's office. The City's income tax collections are still feeling the effects due to the idling of Alliance Castings, the City's 4th largest employer in terms of withholding.

The City was placed in Fiscal Caution by the Auditor of State of Ohio based on low carryover balances especially in the General Fund. The State later elevated the City to Fiscal Watch due to City Council not approving a required recovery plan in the required timeframe. The City anticipates requesting release from the State of Ohio Auditor's Office from Fiscal Watch in 2024. The City has been in Fiscal Watch since 2018 due to low carryover balance.



## **Long-Term Financial Planning**

The City will continue pursuing opportunities for development and economic growth through annexations, Tax Increment Financing (TIF), Cooperative Economic Development Areas (CEDA) and Joint Economic Development Districts (JEDD). The City's Planning and Development Department looks to provide assistance to local businesses through its Urban Development Action Grant (UDAG) program. The combination of these efforts target improving the City's tax base. The City will continue employing innovative and creative measures to reduce expenses to counter declining revenues.

## **City of Alliance recognized for Excellence in Financial Reporting**

The Government Finance Officers Association (GFOA) recognized the city of Alliance for its 2022 Annual Comprehensive Financial Report. The city's report was honored after an impartial panel judged it to meet the high standards of the program, including demonstrating a constructive "spirit of full disclosure" to clearly communicate its accurate financial story and motivate potential users and user groups to read the report.

## **Major Initiatives**

Expansion, attracting new business and maintaining the City's infrastructure remain an ongoing commitment. In an effort to continue to provide cost effective, quality services the City continues with the maintenance of sanitary sewers, water improvements, storm water improvements, road paving projects, and general infrastructure improvements.

## **Key Personnel Changes**

Former Alliance Mayor, Alan Andreani retired in August of 2023 after serving almost 11 years as Mayor. Andrew Grove was selected to replace him for the remainder of the term and was then elected in November of 2023 to serve a full 4-year term. Alliance City Treasurer, Dennis Clunk retired in early 2023. Jack Madison was elected as his successor in November 2023. Deputy Auditor Mike Higgs retired in 2023. Jessica Bauman was named as his replacement.

## **American Rescue Plan Act (ARPA) Funds**

The City received a total of \$15.87 million of American Rescue Plan Act (ARPA) funds in 2021-2022. Early uses included paving and capital expenses. The City will expend the remaining funds in 2024.

- Responding to the public health and negative economic impacts of the pandemic
- Providing premium pay to essential workers
- Providing government services to the extent of revenue loss due to the pandemic
- Making necessary investments in water, sewer, and broadband infrastructure

## **Community Oriented Policing Service (COPS) Grant**

The City was awarded a Community Oriented Policing Service (COPS) Grant for \$625,000 for the hiring of 5 full time police officers. The grant covers a portion of wages and benefits and will commence in 2024.

## **Meijer's coming to Alliance**

Groundbreaking began on a new Meijer Superstore at the former Carnation Mall site. It is estimated to open in Spring of 2024. Developers estimate between 250 and 270 full time equivalent jobs.

## **IML Containers**

IML Containers, a packaging manufacturer, will open a facility in the City's industrial park at the corner of W. Main St. and Freshley Ave. Initial estimates are for approximately 60 full time jobs.

## **Phase 1 Improvements to Wastewater Treatment Plant**

The project involves replacing certain existing treatment units and an expansion to the secondary treatment system capacity of the plant to match the capacity of the primary treatment system. The work includes improvements to the RAS system, flow splitting and conveyance. The project includes expanding the capacity of the disinfection facility to match the new peak flow capacity of 32 MGD. Final costs are being tallied in early 2024.

## **Street Resurfacing**

In addition to the annual resurfacing program, the City has several projects on tap for 2024:

- Microsurfacing of W. Main Street from Freshley Ave. of to Sawburg Ave. will be completed for an estimated \$155,000 with \$76,000 being funded by an Ohio Public Works Commission (OPWC) grant.
- US62/183 Paving: The project consists of improvements to U.S. 62 from S.R. 183 to the eastern corporation limit and S.R. 183 from the southern corporation limit to East College Street and then from Main Street to the northern corporation limit, including pavement planing, pavement repairs, resurfacing, and pavement markings, along with curb and gutter, sidewalk, curb ramps, and drainage upgrades, lying within the City of Alliance.
- Mahoning Avenue/Glamorgan Paving- at an estimated cost of \$957,000 with \$557,000 of grant funding towards these two streets.

## **Contract Negotiations**

All agreements for the 13 various unions representing City employees are all under contract. The IAFF 480 is expiring on June 30, 2024.

## **Financial Information**

The City's accounting system is organized on a "fund basis" in which each fund is a distinct self-balancing accounting entity. The City's day-to-day accounting and budgetary records are maintained on a basis other than GAAP. For financial reporting purposes, the accounting records are converted to the modified and full accrual basis for all applicable funds. On the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when measurable and incurred. The basis of accounting and presentation of the various funds utilized by the City are fully described in Note 2 of the basic financial statements.

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance; all are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level for all funds with salaries and wages appropriated separately by department. Any budgetary modifications at this level may only be made by resolution of the City Council.

The City's fully automated financial system also maintains budgetary control through its purchase order/encumbrance feature. The purchase order, required before making purchases, creates the encumbrance against the current budget. Purchase orders which result in an overrun of budget are not released until additional appropriations are made available through Council ordinance. This procedure is followed when money is available to allow an increase in appropriations. If no money is available, the purchase is canceled.

The City Auditor continually monitors the encumbrances and expenditures against the budget appropriations and against the County Auditor's certificate of estimated resources. Using the budget prepared by the City the preceding July and including the carry over balances less carry over encumbrances at year end, the County Auditor arrives at and issues the certificate of estimated resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's Certificate.

### **Internal Accounting and Reporting Control**

As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to the present internal accounting controls and procedures are continually evaluated by the City Auditor. The City Auditor oversees the appropriateness of internal control, develops procedures to enhance internal control and consults with outside auditors to ensure that the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss resulting from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognizes that the cost of a control should not exceed the benefits likely to be derived from its implementation, and that the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

### **Awards**

The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Alliance, Ohio for its Annual Comprehensive Financial Report for the year ended December 31, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of State and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Alliance, Ohio has received a Certificate of Achievement for the last twenty-three consecutive years (1999-2022). We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting it to the GFOA.

### **Independent Audit**

The firm of Julian & Grube, Inc., has audited the basic financial statements of the City, and the Auditor's Report is included herein. In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendment of 1996 and the provisions of Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in this Annual Comprehensive Financial Report.

### **Acknowledgments**

I would like to express my sincerest gratitude to the dedicated staff of the City of Alliance Auditor's office for their effort in the compilation of this report, as well as their continued commitment to providing the City of Alliance with accurate fiscal reporting. I would like to recognize the Administration, City Council, and all departments of the City of Alliance for their cooperation throughout this process.

Also, the City would like to express its appreciation to Julian & Grube, Inc., for their assistance with the preparation of this Annual Comprehensive Financial Report.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Kevin G. Knowles".

Kevin G. Knowles  
City Auditor

## CITY OF ALLIANCE, OHIO

### City Officials

December 31, 2023

Mayor	Andrew Grove
President of Council	Art Garnes
Councilman - Ward I	Sheila K. Cherry
Councilman - Ward II	Cindy King
Councilman - Ward III	Dr. Edward Lohnes
Councilman - Ward IV	Jim Edwards
Council-at-Large	Jennifer Kiko
Council-at-Large	Kris Bugara
Council-at-Large	Phillip Mastroianni
Clerk of Council	Gerald T. Yost
Law Director	Caity Weyer
Judge	Andrew Zumbar
Clerk of Court	Mary Anne Carper
Civil Service	Joyce Lamb, W. John Gross, Renee Young

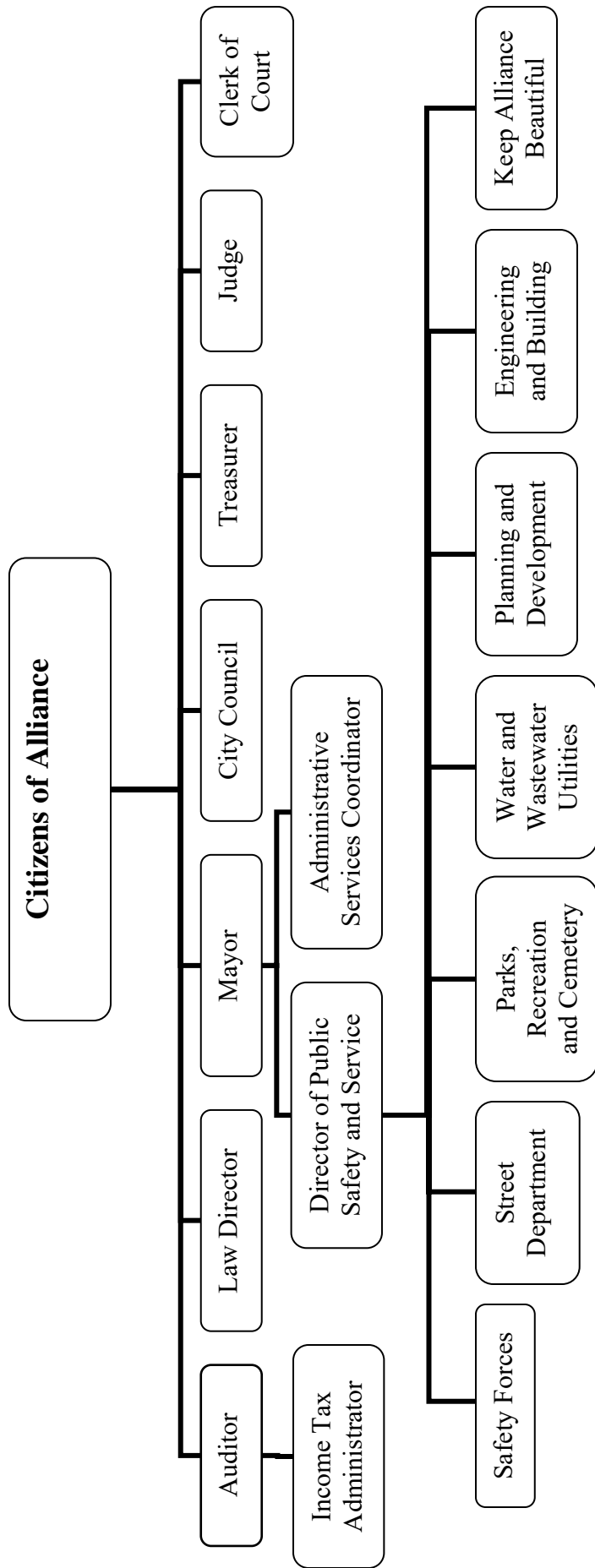
### Finance

Auditor	Kevin Knowles
Treasurer	Jack Madison
Income Tax Administrator	David Brown

### Public Safety and Service

Director of Public Safety and Service	Michael Dreger
Fire Chief	Jason Hunt
Police Chief	Akenra X
Director of Parks, Cemetery and Public Lands	Kimberly Cox
Water Plant	Amy Elliot
Wastewater Plant	Josh Zwick
Water and Wastewater Distribution	Doug Hastings
Utility Billing and Collection	Angie Weir
Health and Human Services	Randy Flint
Planning and Development	Joe Mazzola
Senior Citizens Center	Helen Miller
Street Department	John Bertolini
Engineering	Vince Mueser

# City of Alliance, Ohio Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Alliance  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

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## FINANCIAL SECTION

## Independent Auditor's Report

City of Alliance  
Stark County  
504 East Main Street  
Alliance, Ohio 44601

To the Members of the City Council and Mayor:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, Stark County, Ohio, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Alliance's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Local Fiscal Recovery Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City of Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alliance's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions* listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Alliance's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024 on our consideration of the City of Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Alliance's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Alliance's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
June 25, 2024

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## CITY OF ALLIANCE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

The management's discussion and analysis of the City of Alliance's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### Financial Highlights

Key financial highlights for 2023 are as follows:

- The total net position of the City increased \$6,855,269. Net position of governmental activities increased \$6,489,294 or 31.69% and net position of business-type activities increased \$365,975 or 1.02%.
- General revenues accounted for \$18,326,995 or 63.89% of total governmental activities revenue. Program specific revenues accounted for \$10,356,216 or 36.11% of total governmental activities revenue.
- The City had \$22,623,566 in expenses related to governmental activities; \$10,356,216 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$12,267,350 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$18,326,995.
- The general fund had revenues and other financing sources of \$15,128,821 in 2023. This represents an increase of \$1,913,596 from 2022. The expenditures and other financing uses of the general fund, which totaled \$13,623,533 in 2023, increased \$520,967 from 2022. The net increase in fund balance for the general fund was \$1,505,288 or 36.74%.
- The local fiscal recovery major fund had \$5,929,540 in revenues and \$5,929,540 in expenditures in 2023.
- Net position for the business-type activities, which are made up of the water, sewer, community center, and community improvement funds, increased \$365,975 from a net position balance of \$35,754,024 in 2022 to a net position balance of \$36,119,999 in 2023.
- The water fund had \$5,527,352 in operating revenues and \$6,473,284 in operating expenses in 2023. The water fund also had non-operating revenues of \$1,031,418 and non-operating expenses of \$18,717. The net position of the water fund increased \$66,769 or 0.34%.
- The sewer fund had \$5,335,362 in operating revenues and \$5,166,613 in operating expenses in 2023. The sewer fund also had non-operating revenues of \$196,806 and non-operating expenses of \$99,628. The net position of the sewer fund increased \$265,927 or 1.73%.

#### Using this Annual Comprehensive Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

## CITY OF ALLIANCE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

#### **Reporting the City as a Whole**

##### ***Statement of Net Position and the Statement of Activities***

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows, using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

**Governmental Activities** - Most of the City's programs and services are reported here including police, fire, street and highway maintenance, HUD program operations, community and economic development and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

**Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, community center, and community improvement funds are reported here.

#### **Reporting the City's Most Significant Funds**

##### ***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

##### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

## CITY OF ALLIANCE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major and nonmajor funds. The City's major governmental funds are the general fund and the local fiscal recovery. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

#### ***Proprietary Funds***

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, community center, and community improvement funds. The City reports the water and sewer funds as major enterprise funds. These major funds are presented separately in the proprietary fund financial statements. The internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The internal service fund is used to account for a self-insurance program for medical and dental benefits.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the City's only fiduciary fund type.

#### ***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### ***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability/asset and net OPEB liability/asset.



**CITY OF ALLIANCE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole. The table below provides a summary of the City's net position at December 31, 2023 compared to December 31, 2022.

	<b>Net Position</b>					
	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Assets</u></b>						
Current assets	\$ 32,365,418	\$ 35,824,815	\$ 15,513,883	\$ 16,167,652	\$ 47,879,301	\$ 51,992,467
Capital assets, net	<u>27,048,124</u>	<u>22,884,991</u>	<u>42,383,057</u>	<u>36,756,966</u>	<u>69,431,181</u>	<u>59,641,957</u>
Total assets	<u>59,413,542</u>	<u>58,709,806</u>	<u>57,896,940</u>	<u>52,924,618</u>	<u>117,310,482</u>	<u>111,634,424</u>
<b><u>Deferred outflows of resources</u></b>						
Pension	8,631,458	4,500,546	2,112,776	743,807	10,744,234	5,244,353
OPEB	<u>1,351,954</u>	<u>1,103,283</u>	<u>311,990</u>	<u>8,055</u>	<u>1,663,944</u>	<u>1,111,338</u>
Total deferred outflows of resources	<u>9,983,412</u>	<u>5,603,829</u>	<u>2,424,766</u>	<u>751,862</u>	<u>12,408,178</u>	<u>6,355,691</u>
<b><u>Liabilities</u></b>						
Current liabilities	8,651,708	14,919,578	1,187,253	858,175	9,838,961	15,777,753
Long-term liabilities:						
Due within one year	987,062	826,746	1,017,593	617,935	2,004,655	1,444,681
Net pension liability	24,190,230	13,502,225	5,005,940	1,627,925	29,196,170	15,130,150
Net OPEB liability	1,430,127	2,026,742	103,753	-	1,533,880	2,026,742
Other amounts	<u>2,206,112</u>	<u>2,189,582</u>	<u>16,664,566</u>	<u>12,191,939</u>	<u>18,870,678</u>	<u>14,381,521</u>
Total liabilities	<u>37,465,239</u>	<u>33,464,873</u>	<u>23,979,105</u>	<u>15,295,974</u>	<u>61,444,344</u>	<u>48,760,847</u>
<b><u>Deferred inflows of resources</u></b>						
Property taxes	2,031,158	2,018,354	-	-	2,031,158	2,018,354
Leases	-	19,424	-	-	-	19,424
Pension	1,387,810	6,709,417	184,821	2,017,775	1,572,631	8,727,192
OPEB	<u>1,546,653</u>	<u>1,624,767</u>	<u>37,781</u>	<u>608,707</u>	<u>1,584,434</u>	<u>2,233,474</u>
Total deferred inflows of resources	<u>4,965,621</u>	<u>10,371,962</u>	<u>222,602</u>	<u>2,626,482</u>	<u>5,188,223</u>	<u>12,998,444</u>
<b><u>Net Position</u></b>						
Net investment in capital assets	26,632,998	22,097,589	24,924,368	24,552,475	51,557,366	46,650,064
Restricted	6,519,196	6,259,760	2,240,663	1,637,978	8,759,859	7,897,738
Unrestricted (deficit)	<u>(6,186,100)</u>	<u>(7,880,549)</u>	<u>8,954,968</u>	<u>9,563,571</u>	<u>2,768,868</u>	<u>1,683,022</u>
Total net position	<u>\$ 26,966,094</u>	<u>\$ 20,476,800</u>	<u>\$ 36,119,999</u>	<u>\$ 35,754,024</u>	<u>\$ 63,086,093</u>	<u>\$ 56,230,824</u>

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, the net pension asset and the net OPEB asset.

## CITY OF ALLIANCE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability/asset or net OPEB liability/asset. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability/asset to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability/asset and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the City is reporting a net OPEB liability/asset and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2023, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$63,086,093. At year-end, net position for governmental activities was a balance of \$26,966,094 and net position for business-type activities was a balance of \$36,119,999.

## CITY OF ALLIANCE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

The net pension liability/asset and net OPEB liability/asset, as well as the deferred inflows and outflows of resources related to pension and OPEB fluctuated considerably. These liabilities represent the City's share of the two state retirement systems' present value of estimated future pension benefits less the assets available to pay those benefits. This will fluctuate annually based on a number of factors including investment returns, actuarial assumptions used, and the City's proportionate share of the net pension and net OPEB cost. As a result many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset, the net OPEB asset and deferred outflows related to pension and OPEB. The result would be net position at December 31, 2023 of \$45,495,328 for governmental activities and \$38,997,635 for business-type activities.

The net pension liability for governmental activities increased \$10,688,005 or 79.16%, deferred outflow of resources related to pension increased \$4,130,912 or 91.79% and deferred inflows of resources related to pension decreased \$5,321,607 or 79.32%. These changes were the result of changes at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund. Primarily, net investment income on investments at the pension systems were negative for the 2022 measurement date that are used for the 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous year's large positive investment returns.

These changes also affected business-type activities: the net pension liability increased \$3,378,015 or 207.50%, deferred outflow of resources related to pension increased \$1,368,969 or 184.05% and deferred inflows of resources related to pension decreased \$1,832,954 or 90.84%.

Other than pensions and OPEB, significant changes for governmental activities include a decrease in current assets, which is mostly due to lower cash balances, increase in income taxes receivable, intergovernmental receivable and materials and supplies inventory which was offset by a decrease in accounts receivable and special assessments receivable. Net capital assets increased as current year additions exceeded depreciation expense. Current liabilities decreased due to a decrease in unearned revenue related to the local fiscal recovery fund.

The business-type activities also had an decrease in current assets mainly due to a decrease in cash balances and a decrease in accounts receivable. The increase in net capital assets is primarily due to the continued construction of the Phase I wastewater improvements. Current liabilities for the business-type activities increased due to higher contracts payable. Long-term liabilities (other than pension and OPEB) increased as a new OWDA loan was issued during 2023.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At December 31, 2023, capital assets represented 59.19% of total assets. Capital assets include land, easements and right of ways, construction in progress (CIP), land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, infrastructure and intangible right to use assets. Net investment in capital assets at December 31, 2023, was \$26,632,998 and \$24,924,368 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's governmental net position, \$8,759,859, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is a deficit of \$6,186,100.

**CITY OF ALLIANCE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

The table below shows the changes in net position for 2022 and 2023.

**Change in Net Position**

	Governmental Activities 2023	Governmental Activities 2022	Business-type Activities 2023	Business-type Activities 2022	Total 2023	Total 2022
<b>Revenues:</b>						
Program revenues:						
Charges for services and sales	\$ 1,343,910	\$ 1,506,486	\$ 12,488,371	\$ 12,118,307	\$ 13,832,281	\$ 13,624,793
Operating grants and contributions	8,114,041	4,296,131	-	-	8,114,041	4,296,131
Capital grants and contributions	898,265	943,445	-	-	898,265	943,445
<b>Total program revenues</b>	<b>10,356,216</b>	<b>6,746,062</b>	<b>12,488,371</b>	<b>12,118,307</b>	<b>22,844,587</b>	<b>18,864,369</b>
General revenues:						
Property taxes	2,130,025	2,174,212	-	-	2,130,025	2,174,212
Income taxes	13,188,905	13,490,189	533,953	538,160	13,722,858	14,028,349
Permissive motor vehicle license tax	183,515	-	-	-	183,515	-
Unrestricted grants	792,044	854,146	294,582	497,778	1,086,626	1,351,924
Investment earnings	136,827	161,955	399,689	176,481	536,516	338,436
Fair value adjustment	884,264	(1,623,203)	-	-	884,264	(1,623,203)
Miscellaneous	1,011,415	896,698	-	-	1,011,415	896,698
<b>Total general revenues</b>	<b>18,326,995</b>	<b>15,953,997</b>	<b>1,228,224</b>	<b>1,212,419</b>	<b>19,555,219</b>	<b>17,166,416</b>
<b>Total revenues</b>	<b>28,683,211</b>	<b>22,700,059</b>	<b>13,716,595</b>	<b>13,330,726</b>	<b>42,399,806</b>	<b>36,030,785</b>
<b>Expenses:</b>						
General government	5,113,287	3,349,511	-	-	5,113,287	3,349,511
Security of persons and property	11,390,759	9,296,692	-	-	11,390,759	9,296,692
Public health services	743,466	626,899	-	-	743,466	626,899
Transportation	3,177,903	2,115,308	-	-	3,177,903	2,115,308
Community environment	1,008,650	701,128	-	-	1,008,650	701,128
Basic utility services	36,610	40,661	-	-	36,610	40,661
Leisure time activities	1,141,742	946,390	-	-	1,141,742	946,390
Interest and fiscal charges	11,149	12,238	-	-	11,149	12,238
Water	-	-	6,453,101	5,004,734	6,453,101	5,004,734
Sewer	-	-	5,215,837	4,072,982	5,215,837	4,072,982
Robertson Community Center	-	-	71,934	61,370	71,934	61,370
Community Improvement	-	-	1,609,748	1,287,311	1,609,748	1,287,311
<b>Total expenses</b>	<b>22,623,566</b>	<b>17,088,827</b>	<b>13,350,620</b>	<b>10,426,397</b>	<b>35,974,186</b>	<b>27,515,224</b>
Increase in net position before capital contributions	6,059,645	5,611,232	365,975	2,904,329	6,425,620	8,515,561
Capital contributions	429,649	-	-	-	429,649	-
<b>Change in net position</b>	<b>6,489,294</b>	<b>5,611,232</b>	<b>365,975</b>	<b>2,904,329</b>	<b>6,855,269</b>	<b>8,515,561</b>
Net position at beginning year	20,476,800	14,865,568	35,754,024	32,849,695	56,230,824	47,715,263
<b>Net position at end of year</b>	<b>\$ 26,966,094</b>	<b>\$ 20,476,800</b>	<b>\$ 36,119,999</b>	<b>\$ 35,754,024</b>	<b>\$ 63,086,093</b>	<b>\$ 56,230,824</b>

**Governmental Activities**

Governmental activities net position increased \$6,489,294 in 2023.

Total revenues increased mostly as a result of an increase in operating grants and contributions, the fair value adjustment, and miscellaneous general revenues.

**CITY OF ALLIANCE, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)**

Overall, expenses of the governmental activities increased \$5,534,739 or 32.39%. This increase is primarily the result of an increase in pension expense. Pension expense increased \$2,842,248. This increase was the result of an increase in expenses incurred at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund due to a decrease in net investment income on investments compared to previous years.

General government expenses totaled \$5,113,287. General government expenses were partially funded by \$929,807 in direct charges to users of the services and \$5,959,166 in operating grants and contributions. Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$11,390,759 of the total expenses of the City. These expenses were partially funded by \$187,245 in direct charges to users of the services and \$98,111 in operating grants and contributions.

The State and federal government contributed to the City a total of \$8,114,041 in operating grants and contributions and \$898,265 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Capital grants and contributions in 2023 subsidized transportation programs.

General revenues totaled \$18,326,995 and amounted to 63.89% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$15,318,930. Another primary source of general revenues is grants and entitlements not restricted to specific programs, including local government assistance and homestead and rollback, making up \$792,044.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**Governmental Activities**

	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
<b>Program expenses:</b>				
General government	\$ 5,113,287	\$ (1,775,686)	\$ 3,349,511	\$ 98,610
Security of persons and property	11,390,759	11,105,403	9,296,692	9,013,523
Public health services	743,466	657,713	626,899	515,421
Transportation	3,177,903	1,084,766	2,115,308	(153,055)
Community environment	1,008,650	53,026	701,128	(89,367)
Basic utility services	36,610	36,610	40,661	40,661
Leisure time activities	1,141,742	1,094,369	946,390	904,734
Interest and fiscal charges	<u>11,149</u>	<u>11,149</u>	<u>12,238</u>	<u>12,238</u>
Total expenses	<u>\$ 22,623,566</u>	<u>\$ 12,267,350</u>	<u>\$ 17,088,827</u>	<u>\$ 10,342,765</u>

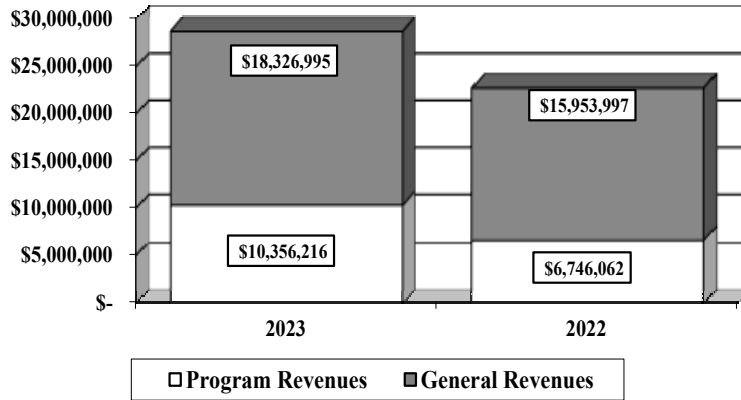
The dependence upon general revenues for governmental activities is apparent, with only 45.78% of expenses supported through program revenues in 2023.

**CITY OF ALLIANCE, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)**

The graph below shows the City’s general revenues and program revenues for 2022 and 2023.

**Governmental Activities – General and Program Revenues**

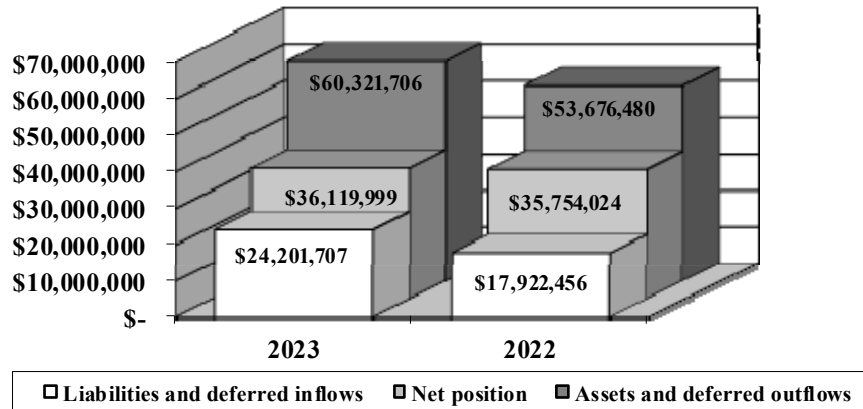


**Business-Type Activities**

Business-type activities include the water, sewer, community center, and community improvement enterprise funds. These programs had program revenues of \$12,488,371, general revenues of \$1,228,224 and expenses of \$13,350,620 for 2023.

The graph that follows shows the business-type activities assets, deferred outflows, liabilities, deferred inflows and net position at year-end.

**Net Position in Business – Type Activities**



**Financial Analysis of the Government’s Major Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City’s net resources available for spending at year-end.

**CITY OF ALLIANCE, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)**

The City's governmental funds reported a combined fund balance of \$16,890,707 which is \$3,391,372 greater than last year's total of \$13,499,335. The schedule that follows indicates the fund balances and the total change in fund balances as of December 31, 2023 and 2022 for all major and nonmajor governmental funds.

	<u>Fund Balances</u> <u>12/31/2023</u>	<u>Fund Balances</u> <u>12/31/2022</u>	<u>Change</u>
Major funds:			
General fund	\$ 5,602,848	\$ 4,097,560	\$ 1,505,288
Local fiscal recovery fund	-	-	-
Other nonmajor governmental funds	<u>11,287,859</u>	<u>9,401,775</u>	<u>1,886,084</u>
Total	<u>\$ 16,890,707</u>	<u>\$ 13,499,335</u>	<u>\$ 3,391,372</u>

**General Fund**

The table that follows assists in illustrating the revenues of the general fund.

	<u>2023</u> <u>Amount</u>	<u>2022</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
<b>Revenues:</b>				
Taxes	\$ 11,780,500	\$ 12,093,025	\$ (312,525)	(2.58) %
Charges for services	184,362	280,049	(95,687)	(34.17) %
Licenses, permits and fees	170,337	261,877	(91,540)	(34.96) %
Fines and forfeitures	377,384	411,423	(34,039)	(8.27) %
Intergovernmental	739,859	798,520	(58,661)	(7.35) %
Investment income	122,335	118,547	3,788	3.20 %
Rentals	29,298	36,337	(7,039)	(19.37) %
Other	<u>1,683,949</u>	<u>(784,553)</u>	<u>2,468,502</u>	314.64 %
Total	<u>\$ 15,088,024</u>	<u>\$ 13,215,225</u>	<u>\$ 1,872,799</u>	14.17 %

Revenues of the general fund increased \$1,872,799 or 14.17%. Taxes revenue consists of income, property and other taxes, all of which decreased in 2023 due to a decrease in collections. The decrease in charges for services is due to decreased reimbursement collections during 2023. The decrease in licenses and permits is due to decreased building permit and refill permit revenues. Intergovernmental revenue decreased due mainly to a decrease in grant revenue received from the state. Investment income increased due to increased interest rates during 2023. Other revenues increased as a result of the fair value adjustment for the City's investments.

The table that follows assists in illustrating the expenditures of the general fund.

	<u>2023</u> <u>Amount</u>	<u>2022</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
<b>Expenditures:</b>				
General government	\$ 3,268,709	\$ 3,188,772	\$ 79,937	2.51 %
Security of persons and property	8,599,273	8,274,904	324,369	3.92 %
Public health and welfare	552,254	499,030	53,224	10.67 %
Community environment	107,183	97,935	9,248	9.44 %
Leisure time activities	350	-	350	100.00 %
Basic utility services	29,562	53,975	(24,413)	(45.23) %
Capital outlay	42,314	-	42,314	100.00 %
Debt service	<u>10,026</u>	<u>5,932</u>	<u>4,094</u>	69.02 %
Total	<u>\$ 12,609,671</u>	<u>\$ 12,120,548</u>	<u>\$ 489,123</u>	4.04 %

**CITY OF ALLIANCE, OHIO**

MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Expenditures of the general fund increased \$489,123 or 4.04%. Security of persons and property expenditures increased as a result of increased police salaries and wages in 2023. Capital outlay expenditures increased during 2023 as the City began a new lease agreement during the year. Debt service expenditures increased during 2023 due to the payments on lease agreements from the implementation of GASB Statement No. 87.

***Local Fiscal Recovery Fund***

The local fiscal recovery fund is reported as a major fund and had \$5,929,540 in revenues and \$5,929,540 in expenditures in 2023. These amounts represent increases compared to the prior year as the City continues to appropriate and spend the grant money on qualifying project expenditures.

**Budgeting Highlights – General Fund**

The City’s budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City’s appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City’s plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

In the general fund, the actual revenues and other financing sources of \$13,660,819 was less than the final budget amount of \$13,695,885. Actual expenditures and other financing uses of \$12,699,065 were lower than the final budget amount of \$13,504,097. The decrease of \$805,032 from final budgeted amounts to actual expenditures and other financing uses is due mainly to decreased spending for general government and security of persons and property. Budgeted expenditures and other financing uses were increased \$72,518 from the original to the final budget, mostly to account for additional transfers and advances to other funds. Budgeted revenues and other financing sources were increased \$465,435 from the original to the final budget in order to more closely reflect higher collections of income taxes and intergovernmental revenue.

***Proprietary Funds***

The City’s proprietary fund financial statements provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds. The only interfund activities reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

The City’s business-type funds reported a combined net position of \$36,111,347, which is \$276,671 more than last year’s total of \$35,834,676.

The schedule below indicates the net position and the total change in net position as of December 31, 2023 and 2022 for all major and nonmajor business-type funds.

	<u>Net Position</u> <u>12/31/23</u>	<u>Net Position</u> <u>12/31/22</u>	<u>Change</u>
Major funds:			
Water	\$ 19,897,166	\$ 19,830,397	\$ 66,769
Sewer	15,675,863	15,409,936	265,927
Nonmajor funds	<u>538,318</u>	<u>594,343</u>	<u>(56,025)</u>
Total	<u>\$ 36,111,347</u>	<u>\$ 35,834,676</u>	<u>\$ 276,671</u>



**CITY OF ALLIANCE, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)**

***Water***

Net position of the City's water fund increased \$66,769 or 0.34% during 2023 from \$19,830,397 to \$19,897,166. The table below compares the revenues, expenses, and other changes in net position for the past two years.

	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>	<u>Change</u>	<u>Change</u>
<b><u>Operating revenues</u></b>				
Charges for services	\$ 5,433,736	\$ 5,637,674	\$ (203,938)	(3.62) %
Other	<u>93,616</u>	<u>120,979</u>	<u>(27,363)</u>	(22.62) %
Total operating revenues	<u>5,527,352</u>	<u>5,758,653</u>	<u>(231,301)</u>	(4.02) %
<b><u>Operating expenses</u></b>				
Salaries and benefits	1,552,254	1,545,884	6,370	0.41 %
Fringe benefits	575,129	(26,068)	601,197	2,306.26 %
Contractual services	694,022	702,237	(8,215)	(1.17) %
Materials and supplies	2,932,432	2,022,605	909,827	44.98 %
Depreciation	714,309	699,203	15,106	2.16 %
Other	<u>5,138</u>	<u>9,272</u>	<u>(4,134)</u>	(44.59) %
Total operating expenses	<u>6,473,284</u>	<u>4,953,133</u>	<u>1,520,151</u>	30.69 %
<b><u>Other changes in net position</u></b>				
Municipal income tax	533,953	538,160	(4,207)	(0.78) %
Intergovernmental revenue	294,582	497,778	(203,196)	(40.82) %
Interest and fiscal charges	(18,717)	(20,215)	1,498	(7.41) %
Interest revenue	<u>202,883</u>	<u>89,032</u>	<u>113,851</u>	127.88 %
Total other changes in net position	<u>\$ 1,012,701</u>	<u>\$ 1,104,755</u>	<u>\$ (92,054)</u>	(8.33) %

Operating revenues of the water fund decreased \$231,301 or 4.02%. This decrease is the result of a decrease in fees being collected in the water fund and a decrease in other operating revenues. Operating expenses increased \$1,520,151 or 30.69% due mainly to increased fringe benefits expenses in 2023 as a result in the increase in pension and OPEB expense for the Ohio Public Employees Retirement System (OPERS) during 2023.

***Sewer***

Net position of the City's sewer fund increased \$265,927 or 1.73% during 2023 from \$15,409,936 to \$15,675,863. The table below compares the revenues, expenses, and other changes in net position for the past two years.

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**CITY OF ALLIANCE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>		<u>Change</u>
<b><u>Operating revenues</u></b>				
Charges for services	\$ 5,245,045	\$ 4,817,011	\$ 428,034	8.89 %
Licenses and permits	69,526	11,353	58,173	512.40 %
Other	<u>20,791</u>	<u>17,437</u>	<u>3,354</u>	19.23 %
Total operating revenues	<u>5,335,362</u>	<u>4,845,801</u>	<u>489,561</u>	10.10 %
<b><u>Operating expenses</u></b>				
Salaries and benefits	1,651,092	1,577,217	73,875	4.68 %
Fringe benefits	718,003	27,577	690,426	2,503.63 %
Contractual services	805,599	752,719	52,880	7.03 %
Materials and supplies	1,085,374	738,753	346,621	46.92 %
Depreciation	901,407	895,535	5,872	0.66 %
Other	<u>5,138</u>	<u>2,261</u>	<u>2,877</u>	127.24 %
Total operating expenses	<u>5,166,613</u>	<u>3,994,062</u>	<u>1,172,551</u>	29.36 %
<b><u>Other changes in net position</u></b>				
Interest revenue	196,806	87,449	109,357	125.05 %
Interest and fiscal charges	<u>(99,628)</u>	<u>(37,612)</u>	<u>(62,016)</u>	164.88 %
Total other changes in net position	<u>\$ 97,178</u>	<u>\$ 49,837</u>	<u>\$ 47,341</u>	94.99 %

Operating revenues of the sewer fund increased \$489,561 or 10.10%. This increase can mainly be attributed to an increase in usage from the prior year, an increase in licenses and permits, and an increase in other operating revenues. Operating expenses increased \$1,172,551 or 29.36% due mainly to (1) an increase fringe benefits expenses in 2023 as a result in the increased in pension and OPEB expense for the Ohio Public Employees Retirement System (OPERS) during 2023 and (2) an increase in materials and supplies expenses.

**Capital Assets and Debt Administration**

***Capital Assets***

At December 31, 2023, the City had \$69,431,181 (net of accumulated depreciation/amortization) invested in land, easements and right of ways, construction in progress (CIP), land improvements, buildings and improvements, furniture, fixtures, and equipment, vehicles, infrastructure, and intangible right to use assets. Of this total, \$27,048,124 was reported in governmental activities and \$42,383,057 was reported in business-type activities. See Note 7 in the basic financial statements for additional capital asset disclosures.

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**CITY OF ALLIANCE, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)**

The following table shows December 31, 2023 balances compared to December 31, 2022.

**Capital Assets at December 31  
(Net of Depreciation/Amortization)**

	Governmental Activities <u>2023</u>	Governmental Activities <u>2022</u>	Business-type Activities <u>2023</u>	Business-type Activities <u>2022</u>	Total <u>2023</u>	Total <u>2022</u>
Land	\$ 3,397,787	\$ 3,397,787	\$ 1,159,437	\$ 1,159,437	\$ 4,557,224	\$ 4,557,224
Easements and right of ways	116,018	116,018	-	-	116,018	116,018
Buildings, structures and improvements	5,911,469	5,271,317	12,106,197	12,566,624	18,017,666	17,837,941
Furniture, fixtures and equipment	1,997,893	2,096,222	5,886,245	6,376,866	7,884,138	8,473,088
Vehicles	3,962,637	2,527,846	-	-	3,962,637	2,527,846
Infrastructure	9,311,521	5,677,080	-	-	9,311,521	5,677,080
Land improvements	-	-	104,375	113,328	104,375	113,328
Water and sewer lines	-	-	11,124,407	11,445,465	11,124,407	11,445,465
Construction in progress	2,264,090	3,787,462	11,995,063	5,085,867	14,259,153	8,873,329
Intangible right to use assets	86,709	11,259	7,333	9,379	94,042	20,638
<b>Total</b>	<b>\$ 27,048,124</b>	<b>\$ 22,884,991</b>	<b>\$ 42,383,057</b>	<b>\$ 36,756,966</b>	<b>\$ 69,431,181</b>	<b>\$ 59,641,957</b>

The overall increase for governmental activities is a result of capital asset additions of \$6,034,881 exceeding depreciation/amortization expense of \$1,871,748. For the governmental activities, the most significant capital asset activity during the year primarily involved various street improvement projects, most of which are still ongoing and reported as construction in progress (CIP). For the business-type activities, the overall increase is a result of net capital asset additions of \$7,253,108 exceeding depreciation/amortization expense of \$1,627,017. For the business-type activities, the most significant capital asset activity during the year was primarily involved the City's sewer treatment improvement project which is reported as construction in progress (CIP) at December 31, 2023.

The City's largest governmental capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, curbs, annexed roadways, street lighting, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of maintaining and improving these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 34.43% of the City's total governmental capital assets.

The City's largest business-type capital asset category is the buildings, structures and improvements. The net book value of the City's building, structures and improvements (cost less accumulated depreciation) represents approximately 28.56% of the City's total business-type capital assets.

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## CITY OF ALLIANCE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

#### ***Debt Administration***

The City had the following long-term debt obligations outstanding at December 31, 2023 and 2022.

	<u>Governmental Activities 2023</u>	<u>Governmental Activities 2022</u>
Police and fire pension liability	\$ 216,875	\$ 231,347
Leases payable	40,575	11,445
SIB Loan	-	23,928
OPWC loan	<u>266,667</u>	<u>280,002</u>
Total long-term obligations	<u>\$ 524,117</u>	<u>\$ 546,722</u>
	<u>Business-type Activities 2023</u>	<u>Business-type Activities 2022</u>
General obligation bonds	\$ 565,080	\$ 625,090
Leases payable	7,442	9,425
OPWC loans	1,137,271	1,228,175
OWDA loans	<u>15,222,830</u>	<u>10,264,411</u>
Total long-term obligations	<u>\$ 16,932,623</u>	<u>\$ 12,127,101</u>

Additions to long-term debt in 2023 included an OWDA loan in the amount of \$5,132,387 for Phase I of the wastewater improvement project in business-type activities and a lease obligation in governmental activities in the amount of \$40,797.

See Note 11 in the basic financial statements for additional disclosures and detail regarding the City's debt activity.

#### **Economic Conditions and Financial Outlook**

The City of Alliance, like many local government entities are dealing with revenue reductions, due to the elimination and decline of various sources, including the State of Ohio Estate Tax, Local Government Funding as well as the phase-out of payments made by the State to local governments for revenues once collected on tangible personal property and certain types of electricity generation. The combined effects of these losses along with increased costs, such as employee healthcare, wages and benefits, have been factors in the decline.

The City has experienced a continual decline in its general fund cash balance, in part due to a structural deficit as expenses have consistently exceeded revenues. The general fund balance has shrunk from a high of \$3.9 million in 2011 to a cash carryover of \$445,233 at December 31, 2018. The City's finances were boosted in 2020 by utilizing \$1.2 million dollars of CARES Act funds towards safety forces payroll. The City was awarded \$15 million of American Rescue Plan Act (ARPA) funds in 2021/2022. The City has used the funding for primarily paving and capital needs to date. The general fund carryover cash balance for 2023 was \$4,765,740 aided by ARPA funds.

The City has attempted to reduce expenditures by attrition and incorporating part-time staff in virtually all departments. The City has incorporated modifications to its self-funded health care program which includes a wellness component, increased employee contributions, and spousal carveout with all bargaining units.

The Income Tax Department has increased collection efforts pursuing back taxes via civil and criminal court action. The City has also partnered with the Cleveland Income Tax Agency to pursue individuals that have not filed City income tax. The Tax Department also began certifying delinquent tax account to the Ohio Attorney General's office.

## **CITY OF ALLIANCE, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)**

Alliance voters passed a five-year 3.0 mill Parks and Recreation property tax levy in 2018. The levy allowed for Park expenses to be removed from the City's general fund. The levy was renewed in May of 2023 for an additional five years.

The City was placed in fiscal caution by the Auditor of State of Ohio based on low carryover balances especially in the General Fund. The State later elevated the City to Fiscal Watch due to City Council not approving a required recovery plan in the required timeframe.

#### **Long-Term Financial Planning**

The City will continue pursuing opportunities for development and economic growth through annexations, Tax Increment Financing (TIF), Cooperative Economic Development Areas (CEDA) and Joint Economic Development Districts (JEDD). The City's Planning and Development Department looks to provide assistance to local businesses through its Urban Development Action Grant (UDAG) program. The combination of these efforts target improving the City's tax base. The City will continue employing innovative and creative measures to reduce expenses to counter declining revenues.

#### **Request for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate accountability for the money it receives. Any questions concerning any of the information provided in this report or requests for additional information should be addressed to the Alliance City Auditor, Kevin Knowles. You may also visit our website at <http://www.cityofalliance.com> or email us at [auditor@allianceoh.gov](mailto:auditor@allianceoh.gov).

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BASIC  
FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF NET POSITION  
DECEMBER 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Alliance City Health Department
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 22,961,088	\$ 10,844,292	\$ 33,805,380	\$ 70,149
Cash in segregated accounts	29,570	-	29,570	-
Receivables:				
Municipal income taxes	2,926,305	121,929	3,048,234	-
Property and other taxes	2,393,999	-	2,393,999	-
Accounts	134,169	1,030,651	1,164,820	-
Special assessments	1,949,342	-	1,949,342	-
Intergovernmental	1,118,977	-	1,118,977	1,108
Accrued interest	139,713	-	139,713	-
Loans	326,070	-	326,070	-
Internal balance	(8,652)	8,652	-	-
Prepayments	207,743	92,647	300,390	11,527
Due from component unit	3,000	-	3,000	-
Materials and supplies inventory	141,920	1,175,049	1,316,969	-
Net pension asset	42,174	29,893	72,067	5,971
Restricted assets:				
Equity in pooled cash and cash equivalents	-	2,210,770	2,210,770	-
Capital assets:				
Non-depreciable/amortized capital assets	5,777,895	13,154,500	18,932,395	-
Depreciable/amortized capital assets, net	21,270,229	29,228,557	50,498,786	33,573
Total capital assets, net	27,048,124	42,383,057	69,431,181	33,573
Total assets	59,413,542	57,896,940	117,310,482	122,328
<b>Deferred outflows of resources:</b>				
Pension	8,631,458	2,112,776	10,744,234	421,835
OPEB	1,351,954	311,990	1,663,944	62,206
Total deferred outflows of resources	9,983,412	2,424,766	12,408,178	484,041
Total assets and deferred outflows of resources	69,396,954	60,321,706	129,718,660	606,369
<b>Liabilities:</b>				
Accounts payable	251,900	472,308	724,208	2,760
Contracts payable	107,884	562,394	670,278	-
Accrued wages and benefits payable	235,878	72,644	308,522	16,673
Claims payable	225,944	-	225,944	-
Due to other governments	220,916	44,863	265,779	15,739
Accrued interest payable	909	35,044	35,953	-
Deposits held and due to others	230,673	-	230,673	-
Due to primary government	-	-	-	3,000
Payroll withholding payable	60,519	-	60,519	-
Unearned revenue	7,317,085	-	7,317,085	-
Long-term liabilities:				
Due within one year	987,062	1,017,593	2,004,655	82,022
Due in more than one year:				
Net pension liability	24,190,230	5,005,940	29,196,170	999,943
Net OPEB liability	1,430,127	103,753	1,533,880	20,725
Other amounts due in more than one year	2,206,112	16,664,566	18,870,678	164,504
Total liabilities	37,465,239	23,979,105	61,444,344	1,305,366
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	2,031,158	-	2,031,158	-
Pension	1,387,810	184,821	1,572,631	23,807
OPEB	1,546,653	37,781	1,584,434	7,367
Total deferred inflows of resources	4,965,621	222,602	5,188,223	31,174
Total liabilities and deferred inflows of resources	42,430,860	24,201,707	66,632,567	1,336,540
<b>Net position:</b>				
Net investment in capital assets	26,632,998	24,924,368	51,557,366	33,573
Restricted for:				
Debt service	43,850	-	43,850	-
Capital projects	108,188	-	108,188	-
Transportation projects	365,466	-	365,466	-
Public service programs	827,716	-	827,716	60,425
Community development programs	3,442,485	-	3,442,485	-
Security programs	139,139	-	139,139	-
Other purposes	1,550,178	-	1,550,178	-
Pension/OPEB	42,174	29,893	72,067	5,971
Replacement and surplus reserve	-	2,210,770	2,210,770	-
Unrestricted (deficit)	(6,186,100)	8,954,968	2,768,868	(830,140)
Total net position (deficit)	\$ 26,966,094	\$ 36,119,999	\$ 63,086,093	(730,171)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF ALLIANCE, OHIO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental activities:</b>				
General government	\$ 5,113,287	\$ 929,807	\$ 5,959,166	\$ -
Security of persons and property	11,390,759	187,245	98,111	-
Public health and welfare	743,466	33,018	52,735	-
Transportation	3,177,903	-	1,194,872	898,265
Community environment	1,008,650	146,561	809,063	-
Basic utility services	36,610	-	-	-
Leisure time activities	1,141,742	47,279	94	-
Interest and fiscal charges	11,149	-	-	-
Total governmental activities	<u>22,623,566</u>	<u>1,343,910</u>	<u>8,114,041</u>	<u>898,265</u>
<b>Business-type activities:</b>				
Water	6,453,101	5,527,352	-	-
Sewer	5,215,837	5,335,362	-	-
Robertson Community Center	71,934	66,288	-	-
Community Improvement	1,609,748	1,559,369	-	-
Total business-type activities	<u>13,350,620</u>	<u>12,488,371</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 35,974,186</u>	<u>\$ 13,832,281</u>	<u>\$ 8,114,041</u>	<u>\$ 898,265</u>
<b>Component Unit:</b>				
Alliance City Health Department	<u>\$ 1,147,304</u>	<u>\$ 106,973</u>	<u>\$ 978,453</u>	<u>\$ -</u>

**General revenues:**

Property taxes levied for:

- General purposes
- Police pension
- Fire pension
- Park levy

Municipal income taxes levied for:

- General purposes
- Transportation projects
- Capital improvements
- Water department

Permissive motor vehicle license tax

Grants and entitlements not restricted  
to specific programs

- Investment earnings
- Fair value adjustment
- Miscellaneous

Total general revenues

Capital contributions

Change in net position

**Net position (deficit) at beginning of year**

**Net position (deficit) at end of year**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue  
and Changes in Net Position**

<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Alliance City Health Department</b>
\$ 1,775,686	\$ -	\$ 1,775,686	\$ -
(11,105,403)	-	(11,105,403)	-
(657,713)	-	(657,713)	-
(1,084,766)	-	(1,084,766)	-
(53,026)	-	(53,026)	-
(36,610)	-	(36,610)	-
(1,094,369)	-	(1,094,369)	-
(11,149)	-	(11,149)	-
<u>(12,267,350)</u>	<u>-</u>	<u>(12,267,350)</u>	<u>-</u>
-	(925,749)	(925,749)	-
-	119,525	119,525	-
-	(5,646)	(5,646)	-
-	(50,379)	(50,379)	-
-	(862,249)	(862,249)	-
<u>(12,267,350)</u>	<u>(862,249)</u>	<u>(13,129,599)</u>	<u>-</u>
			(61,878)
1,078,031	-	1,078,031	-
100,757	-	100,757	-
100,757	-	100,757	-
850,480	-	850,480	-
10,918,307	-	10,918,307	-
935,716	-	935,716	-
1,334,882	-	1,334,882	-
-	533,953	533,953	-
183,515	-	183,515	-
792,044	294,582	1,086,626	3,307
136,827	399,689	536,516	-
884,264	-	884,264	-
1,011,415	-	1,011,415	-
<u>18,326,995</u>	<u>1,228,224</u>	<u>19,555,219</u>	<u>3,307</u>
<u>429,649</u>	<u>-</u>	<u>429,649</u>	<u>-</u>
6,489,294	365,975	6,855,269	(58,571)
20,476,800	35,754,024	56,230,824	(671,600)
<u>\$ 26,966,094</u>	<u>\$ 36,119,999</u>	<u>\$ 63,086,093</u>	<u>\$ (730,171)</u>

**CITY OF ALLIANCE, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023

	<b>General</b>	<b>Local Fiscal Recovery</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 4,489,562	\$ 7,507,972	\$ 10,854,982	\$ 22,852,516
Cash in segregated accounts	29,570	-	-	29,570
Receivables (net of allowances for uncollectibles):				
Municipal income taxes	2,408,105	-	518,200	2,926,305
Property and other taxes	1,225,303	-	1,168,696	2,393,999
Accounts	69,801	-	53,008	122,809
Intergovernmental	401,894	-	690,074	1,091,968
Special assessments	1,920,945	-	28,397	1,949,342
Accrued interest	139,713	-	-	139,713
Due from other funds	161,570	-	-	161,570
Loans	-	-	326,070	326,070
Advances from other funds	5,626	-	-	5,626
Due from component unit	3,000	-	-	3,000
Interfund loans receivable	52,503	-	-	52,503
Prepayments	168,962	-	38,781	207,743
Materials and supplies inventory	42,390	-	99,530	141,920
<b>Total assets</b>	<b>\$ 11,118,944</b>	<b>\$ 7,507,972</b>	<b>\$ 13,777,738</b>	<b>\$ 32,404,654</b>
<b>Liabilities:</b>				
Accounts payable	\$ 106,560	\$ 61,825	\$ 83,515	\$ 251,900
Contracts payable	-	78,867	29,017	107,884
Accrued wages and benefits payable	197,675	347	37,856	235,878
Interfund loans payable	-	-	52,503	52,503
Due to other funds	-	-	161,570	161,570
Due to other governments	42,325	49,848	128,743	220,916
Advances to other funds	-	-	5,626	5,626
Deposits held and due to others	230,673	-	-	230,673
Unearned revenue	-	7,317,085	-	7,317,085
Payroll withholding payable	60,519	-	-	60,519
<b>Total liabilities</b>	<b>637,752</b>	<b>7,507,972</b>	<b>498,830</b>	<b>8,644,554</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	987,103	-	1,044,055	2,031,158
Income tax revenue not available	1,394,236	-	300,026	1,694,262
Delinquent property tax revenue not available	210,839	-	124,641	335,480
Accrued interest not available	77,893	-	-	77,893
Special assessments revenue not available	1,920,945	-	28,397	1,949,342
Intergovernmental revenue not available	241,358	-	493,930	735,288
Miscellaneous revenue not available	45,970	-	-	45,970
<b>Total deferred inflows of resources</b>	<b>4,878,344</b>	<b>-</b>	<b>1,991,049</b>	<b>6,869,393</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>5,516,096</b>	<b>7,507,972</b>	<b>2,489,879</b>	<b>15,513,947</b>
<b>Fund balances:</b>				
Nonspendable	340,337	-	138,311	478,648
Restricted	3,352	-	6,765,985	6,769,337
Committed	27,458	-	4,692,857	4,720,315
Assigned	324,386	-	-	324,386
Unassigned (deficit)	4,907,315	-	(309,294)	4,598,021
<b>Total fund balances</b>	<b>5,602,848</b>	<b>-</b>	<b>11,287,859</b>	<b>16,890,707</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 11,118,944</b>	<b>\$ 7,507,972</b>	<b>\$ 13,777,738</b>	<b>\$ 32,404,654</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2023

<b>Total governmental fund balances</b>	\$	16,890,707
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		27,048,124
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds.		
Municipal income taxes receivable	\$ 1,694,262	
Property and other taxes receivable	335,480	
Accrued interest receivable	77,893	
Special assessments receivable	1,949,342	
Intergovernmental receivable	735,288	
Miscellaneous receivable	45,970	
Total		4,838,235
An internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position. The net position of the internal service fund, including an internal balance of \$8,652, is:		(87,655)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(909)
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows of resources are not reported in governmental funds.		
Net pension asset	42,174	
Deferred outflows of resources	8,631,458	
Deferred inflows of resources	(1,387,810)	
Net pension liability	(24,190,230)	
Total		(16,904,408)
The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows of resources are not reported in governmental funds.		
Deferred outflows of resources	1,351,954	
Deferred inflows of resources	(1,546,653)	
Net OPEB liability	(1,430,127)	
Total		(1,624,826)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Police and fire pension liability	(216,875)	
Loans payable	(266,667)	
Leases payable	(40,575)	
Compensated absences	(2,669,057)	
Total		(3,193,174)
<b>Net position of governmental activities</b>	<b>\$</b>	<b>26,966,094</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>General</u>	<u>Local Fiscal Recovery</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Municipal income taxes	\$ 10,681,110	\$ -	\$ 2,218,256	\$ 12,899,366
Property and other taxes	1,099,390	-	1,247,620	2,347,010
Charges for services	184,362	-	148,661	333,023
Licenses, permits and fees	170,337	-	53,809	224,146
Fines and forfeitures	377,384	-	162,666	540,050
Intergovernmental	739,859	5,929,540	3,138,103	9,807,502
Investment income	122,335	-	177,580	299,915
Rental income	29,298	-	-	29,298
Fair value adjustment	884,264	-	-	884,264
Other	799,685	-	323,098	1,122,783
Total revenues	<u>15,088,024</u>	<u>5,929,540</u>	<u>7,469,793</u>	<u>28,487,357</u>
<b>Expenditures:</b>				
Current:				
General government	3,268,709	1,230,610	189,584	4,688,903
Security of persons and property	8,599,273	-	1,374,735	9,974,008
Public health and welfare	552,254	-	179,399	731,653
Transportation	-	-	1,162,052	1,162,052
Community environment	107,183	-	894,330	1,001,513
Leisure time activities	350	-	928,833	929,183
Basic utility services	29,562	-	-	29,562
Capital outlay	42,314	4,698,930	1,804,102	6,545,346
Debt service:				
Principal retirement	9,269	-	54,133	63,402
Interest and fiscal charges	757	-	10,403	11,160
Total expenditures	<u>12,609,671</u>	<u>5,929,540</u>	<u>6,597,571</u>	<u>25,136,782</u>
Excess of revenues over expenditures	<u>2,478,353</u>	<u>-</u>	<u>872,222</u>	<u>3,350,575</u>
<b>Other financing sources (uses):</b>				
Lease transaction	40,797	-	-	40,797
Transfers in	-	-	1,229,991	1,229,991
Transfers (out)	(1,013,862)	-	(216,129)	(1,229,991)
Total other financing sources (uses)	<u>(973,065)</u>	<u>-</u>	<u>1,013,862</u>	<u>40,797</u>
Net change in fund balances	1,505,288	-	1,886,084	3,391,372
<b>Fund balances at beginning of year</b>	<u>4,097,560</u>	<u>-</u>	<u>9,401,775</u>	<u>13,499,335</u>
<b>Fund balances at end of year</b>	<u>\$ 5,602,848</u>	<u>\$ -</u>	<u>\$ 11,287,859</u>	<u>\$ 16,890,707</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023

<b>Net change in fund balances - total governmental funds</b>	\$	3,391,372
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceed depreciation/amortization expense in the current period.		
Capital asset additions	\$ 6,034,881	
Current year depreciation/amortization	<u>(1,871,748)</u>	
Total		4,163,133
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Municipal income taxes	288,239	
Property taxes	(33,470)	
Intergovernmental revenues	(243,261)	
Investment income	14,492	
Special assessments	123,884	
Other	<u>45,970</u>	
Total		195,854
Proceeds of leases are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		
		(40,797)
Repayment of loan and lease principal and police and fire pension liability are expenditures in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		63,402
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.		
		11
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows of resources.		
Pension	1,724,475	
OPEB	<u>31,467</u>	
Total		1,755,942
Except for amounts reported as deferred inflows/outflows of resources, changes in the net pension asset/liability and net OPEB asset/liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(2,998,688)	
OPEB	<u>207,120</u>	
Total		(2,791,568)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(199,451)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund, less \$89,304 allocated to the business-type activities, is allocated among the governmental activities.		
		<u>(48,604)</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>6,489,294</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Municipal income taxes	\$ 10,085,162	\$ 10,350,000	\$ 10,309,239	\$ (40,761)
Property and other taxes	1,086,081	1,114,602	1,105,310	(9,292)
Charges for services	189,036	194,000	191,887	(2,113)
Licenses, permits and fees	141,036	144,740	134,757	(9,983)
Fines and forfeitures	386,354	396,500	385,159	(11,341)
Intergovernmental	735,681	755,000	748,882	(6,118)
Investment income	133,494	137,000	140,487	3,487
Rental income	33,227	34,100	28,607	(5,493)
Other	440,379	451,943	497,209	45,266
<b>Total revenues</b>	<b>13,230,450</b>	<b>13,577,885</b>	<b>13,541,537</b>	<b>(36,348)</b>
<b>Expenditures:</b>				
Current:				
General government:				
Mayor:				
Salaries and wages	103,000	103,000	100,748	2,252
Fringe benefits	44,680	44,680	36,493	8,187
Contractual services	2,229	1,936	1,881	55
Materials and supplies	1,916	2,209	2,209	-
<b>Total mayor</b>	<b>151,825</b>	<b>151,825</b>	<b>141,331</b>	<b>10,494</b>
Senior center:				
Salaries and wages	43,600	43,600	42,924	676
Fringe benefits	23,893	24,129	24,020	109
<b>Total senior center</b>	<b>67,493</b>	<b>67,729</b>	<b>66,944</b>	<b>785</b>
Auditor:				
Salaries and wages	124,000	134,109	134,109	-
Fringe benefits	48,733	48,733	45,585	3,148
Contractual services	17,774	17,894	16,125	1,769
Materials and supplies	6,016	5,896	3,641	2,255
<b>Total auditor</b>	<b>196,523</b>	<b>206,632</b>	<b>199,460</b>	<b>7,172</b>
Treasurer:				
Salaries and wages	4,525	4,525	4,507	18
Fringe benefits	855	855	785	70
Materials and supplies	1,136	1,136	288	848
<b>Total treasurer</b>	<b>6,516</b>	<b>6,516</b>	<b>5,580</b>	<b>936</b>
Law director:				
Salaries and wages	229,845	229,904	229,903	1
Fringe benefits	56,637	56,637	56,305	332
Contractual services	4,751	4,751	2,092	2,659
Materials and supplies	2,800	2,800	2,359	441
<b>Total law director</b>	<b>294,033</b>	<b>294,092</b>	<b>290,659</b>	<b>3,433</b>
City council:				
Salaries and wages	36,400	36,400	36,374	26
Fringe benefits	6,735	6,735	6,588	147
<b>Total city council</b>	<b>43,135</b>	<b>43,135</b>	<b>42,962</b>	<b>173</b>

Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Clerk of council:				
Salaries and wages	\$ 9,980	\$ 9,980	\$ 9,947	\$ 33
Fringe benefits	1,817	1,817	1,771	46
Contractual services	2,800	2,560	2,105	455
Materials and supplies	-	240	196	44
Total clerk of council	<u>14,597</u>	<u>14,597</u>	<u>14,019</u>	<u>578</u>
Judge and probation:				
Salaries and wages	282,000	282,000	260,227	21,773
Fringe benefits	119,552	119,552	113,036	6,516
Contractual services	3,716	3,885	3,282	603
Materials and supplies	6,500	6,331	4,362	1,969
Total judge and probation	<u>411,768</u>	<u>411,768</u>	<u>380,907</u>	<u>30,861</u>
Clerk of courts:				
Salaries and wages	290,000	290,000	278,773	11,227
Fringe benefits	146,082	146,082	141,315	4,767
Contractual services	58,067	58,067	39,969	18,098
Materials and supplies	23,500	23,500	14,405	9,095
Total clerk of courts	<u>517,649</u>	<u>517,649</u>	<u>474,462</u>	<u>43,187</u>
Civil service:				
Salaries and wages	17,250	17,250	17,224	26
Fringe benefits	2,976	3,059	3,023	36
Materials and supplies	10,000	10,000	7,371	2,629
Total civil service	<u>30,226</u>	<u>30,309</u>	<u>27,618</u>	<u>2,691</u>
Engineering:				
Salaries and wages	108,000	106,000	94,387	11,613
Fringe benefits	29,306	31,401	28,497	2,904
Contractual services	32,391	32,391	11,771	20,620
Materials and supplies	7,855	7,855	1,759	6,096
Total engineering	<u>177,552</u>	<u>177,647</u>	<u>136,414</u>	<u>41,233</u>
State examiner:				
Contractual services	17,000	17,000	15,905	1,095
Total state examiner	<u>17,000</u>	<u>17,000</u>	<u>15,905</u>	<u>1,095</u>

Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Land and buildings:				
Salaries and wages	\$ 49,500	\$ 49,500	\$ 47,416	\$ 2,084
Fringe benefits	23,469	23,469	22,928	541
Contractual services	324,280	324,279	213,396	110,883
Total land and buildings	<u>397,249</u>	<u>397,248</u>	<u>283,740</u>	<u>113,508</u>
General administration:				
Salaries and wages	66,000	66,000	60,276	5,724
Fringe benefits	33,265	33,265	26,604	6,661
Contractual services	163,129	166,317	137,201	29,116
Materials and supplies	24,954	30,754	30,262	492
Other	23,100	26,767	22,407	4,360
Total general administration	<u>310,448</u>	<u>323,103</u>	<u>276,750</u>	<u>46,353</u>
Total general government	<u>2,636,014</u>	<u>2,659,250</u>	<u>2,356,751</u>	<u>302,499</u>
Security of persons and property:				
Police:				
Salaries and wages	3,047,000	3,372,482	3,335,669	36,813
Fringe benefits	1,170,391	770,560	683,419	87,141
Contractual services	253,207	266,862	246,571	20,291
Materials and supplies	176,952	181,952	157,169	24,783
Total police	<u>4,647,550</u>	<u>4,591,856</u>	<u>4,422,828</u>	<u>169,028</u>
Fire:				
Salaries and wages	2,473,300	2,473,300	2,298,031	175,269
Fringe benefits	571,254	574,458	533,834	40,624
Contractual services	188,983	193,983	162,305	31,678
Materials and supplies	52,900	47,900	43,809	4,091
Total fire	<u>3,286,437</u>	<u>3,289,641</u>	<u>3,037,979</u>	<u>251,662</u>
Safety administration:				
Salaries and wages	518,531	553,737	546,289	7,448
Fringe benefits	190,964	195,059	192,583	2,476
Contractual services	376,453	416,453	401,177	15,276
Total safety administration	<u>1,085,948</u>	<u>1,165,249</u>	<u>1,140,049</u>	<u>25,200</u>
Prisoner support:				
Contractual services	<u>15,000</u>	<u>15,000</u>	<u>4,750</u>	<u>10,250</u>
Total prisoner support	<u>15,000</u>	<u>15,000</u>	<u>4,750</u>	<u>10,250</u>
Total security of persons and property	<u>9,034,935</u>	<u>9,061,746</u>	<u>8,605,606</u>	<u>456,140</u>

Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public health services:				
Health administration:				
Contractual services	\$ 552,454	\$ 552,454	\$ 552,454	\$ -
Total health administration	<u>552,454</u>	<u>552,454</u>	<u>552,454</u>	<u>-</u>
Total public health services	<u>552,454</u>	<u>552,454</u>	<u>552,454</u>	<u>-</u>
Community environment:				
Tree care:				
Contractual services	5,000	5,000	3,005	1,995
Total tree care	<u>5,000</u>	<u>5,000</u>	<u>3,005</u>	<u>1,995</u>
Zoning and building:				
Salaries and wages	76,000	76,000	73,355	2,645
Fringe benefits	20,990	25,990	22,587	3,403
Contractual services	12,932	12,932	5,138	7,794
Materials and supplies	4,939	4,939	1,562	3,377
Total zoning and building	<u>114,861</u>	<u>119,861</u>	<u>102,642</u>	<u>17,219</u>
Total community environment	<u>119,861</u>	<u>124,861</u>	<u>105,647</u>	<u>19,214</u>
Leisure time activities:				
Parks:				
Other	-	350	350	-
Total parks	<u>-</u>	<u>350</u>	<u>350</u>	<u>-</u>
Total leisure time activities	<u>-</u>	<u>350</u>	<u>350</u>	<u>-</u>
Basic utility services:				
Storm sewer:				
Salaries and wages	40,200	40,418	39,717	701
Fringe benefits	8,115	8,115	7,902	213
Total storm sewer	<u>48,315</u>	<u>48,533</u>	<u>47,619</u>	<u>914</u>
Total basic utility services	<u>48,315</u>	<u>48,533</u>	<u>47,619</u>	<u>914</u>
Total expenditures	<u>12,391,579</u>	<u>12,447,194</u>	<u>11,668,427</u>	<u>778,767</u>
Excess of revenues over expenditures	<u>838,871</u>	<u>1,130,691</u>	<u>1,873,110</u>	<u>742,419</u>
<b>Other financing sources (uses):</b>				
Transfers out	(1,040,000)	(1,040,127)	(1,013,862)	26,265
Advances in	-	118,000	119,282	1,282
Advances out	-	(16,776)	(16,776)	-
Total other financing sources (uses)	<u>(1,040,000)</u>	<u>(938,903)</u>	<u>(911,356)</u>	<u>27,547</u>
Net change in fund balance	(201,129)	191,788	961,754	769,966
<b>Fund balance at beginning of year</b>	<u>3,751,380</u>	<u>3,751,380</u>	<u>3,751,380</u>	<u>-</u>
<b>Prior year encumbrances appropriated</b>	<u>22,068</u>	<u>22,068</u>	<u>22,068</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 3,572,319</u>	<u>\$ 3,965,236</u>	<u>\$ 4,735,202</u>	<u>\$ 769,966</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LOCAL FISCAL RECOVERY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ 8,000	\$ 8,000	\$ -	\$ (8,000)
Total revenues	8,000	8,000	-	(8,000)
<b>Expenditures:</b>				
Current:				
General government:				
Salaries and wages	900,000	900,000	818,712	81,288
Fringe benefits	160,500	375,500	235,962	139,538
Materials and supplies	307,479	307,479	137,302	170,177
Capital outlay	5,792,586	7,433,586	5,797,297	1,636,289
Total expenditures	7,160,565	9,016,565	6,989,273	2,027,292
Net change in fund balance	(7,152,565)	(9,008,565)	(6,989,273)	2,019,292
<b>Fund balance at beginning of year</b>	12,418,761	12,418,761	12,418,761	-
<b>Prior year encumbrances appropriated</b>	1,000,065	1,000,065	1,000,065	-
<b>Fund balance at end of year</b>	\$ 6,266,261	\$ 4,410,261	\$ 6,429,553	\$ 2,019,292

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF ALLIANCE, OHIO**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 4,611,341	\$ 5,686,475	\$ 546,476	\$ 10,844,292	\$ 108,572
Receivables (net of allowance for uncollectibles):					
Accounts	606,372	424,279	-	1,030,651	11,360
Municipal income taxes	121,929	-	-	121,929	-
Due from other governments	-	-	-	-	27,009
Prepayments	45,742	46,215	690	92,647	-
Materials and supplies inventory	1,021,895	153,154	-	1,175,049	-
Total current assets	<u>6,407,279</u>	<u>6,310,123</u>	<u>547,166</u>	<u>13,264,568</u>	<u>146,941</u>
Noncurrent assets:					
Net pension asset	14,225	15,503	165	29,893	-
Restricted assets:					
Equity in pooled cash and cash equivalents	2,210,770	-	-	2,210,770	-
Capital assets:					
Non-depreciable capital assets	834,002	12,320,498	-	13,154,500	-
Depreciable capital assets, net	15,886,705	13,195,692	146,160	29,228,557	-
Total capital assets, net	<u>16,720,707</u>	<u>25,516,190</u>	<u>146,160</u>	<u>42,383,057</u>	<u>-</u>
Total noncurrent assets	<u>18,945,702</u>	<u>25,531,693</u>	<u>146,325</u>	<u>44,623,720</u>	<u>-</u>
Total assets	<u>25,352,981</u>	<u>31,841,816</u>	<u>693,491</u>	<u>57,888,288</u>	<u>146,941</u>
<b>Deferred outflows of resources:</b>					
Pension	1,009,048	1,090,945	12,783	2,112,776	-
OPEB	148,815	161,276	1,899	311,990	-
Total deferred outflows of resources	<u>1,157,863</u>	<u>1,252,221</u>	<u>14,682</u>	<u>2,424,766</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 26,510,844</u>	<u>\$ 33,094,037</u>	<u>\$ 708,173</u>	<u>\$ 60,313,054</u>	<u>\$ 146,941</u>

- Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS (CONTINUED)  
 DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	\$ 252,408	\$ 81,202	\$ 138,698	\$ 472,308	\$ -
Contracts payable	-	562,394	-	562,394	-
Accrued wages and benefits payable	33,211	39,433	-	72,644	-
Compensated absences payable	141,574	129,466	-	271,040	-
Due to other governments	17,841	27,022	-	44,863	-
Accrued interest payable	1,436	33,608	-	35,044	-
Claims payable	-	-	-	-	225,944
General obligation bonds payable - current	65,010	-	-	65,010	-
OWDA loans payable - current	108,626	479,995	-	588,621	-
OPWC loans payable - current	37,105	53,794	-	90,899	-
Leases payable - current	2,023	-	-	2,023	-
Total current liabilities	<u>659,234</u>	<u>1,406,914</u>	<u>138,698</u>	<u>2,204,846</u>	<u>225,944</u>
Long-term liabilities:					
General obligation bonds payable	500,070	-	-	500,070	-
OPWC loans payable	742,089	304,283	-	1,046,372	-
Compensated absences payable	196,255	282,241	-	478,496	-
OWDA loans payable	1,945,582	12,688,627	-	14,634,209	-
Leases payable	5,419	-	-	5,419	-
Net pension liability	2,382,174	2,596,207	27,559	5,005,940	-
Net OPEB liability	49,373	53,809	571	103,753	-
Total long-term liabilities	<u>5,820,962</u>	<u>15,925,167</u>	<u>28,130</u>	<u>21,774,259</u>	<u>-</u>
Total liabilities	<u>6,480,196</u>	<u>17,332,081</u>	<u>166,828</u>	<u>23,979,105</u>	<u>225,944</u>
<b>Deferred inflows of resources:</b>					
Pension	115,713	66,325	2,783	184,821	-
OPEB	17,769	19,768	244	37,781	-
Total deferred inflows of resources	<u>133,482</u>	<u>86,093</u>	<u>3,027</u>	<u>222,602</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>6,613,678</u>	<u>17,418,174</u>	<u>169,855</u>	<u>24,201,707</u>	<u>225,944</u>
<b>Net position:</b>					
Net investment in capital assets	13,314,783	11,463,425	146,160	24,924,368	-
Restricted for:					
Replacement and surplus reserve	2,210,770	-	-	2,210,770	-
Pension/OPEB	14,225	15,503	165	29,893	-
Unrestricted (deficit)	<u>4,357,388</u>	<u>4,196,935</u>	<u>391,993</u>	<u>8,946,316</u>	<u>(79,003)</u>
Total net position (deficit)	<u>\$ 19,897,166</u>	<u>\$ 15,675,863</u>	<u>\$ 538,318</u>	<u>36,111,347</u>	<u>\$ (79,003)</u>
Adjustment to reflect the consolidation of the internal service fund's activities related to enterprise funds				<u>8,652</u>	
Net position of business-type activities				<u>\$ 36,119,999</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	
<b>Operating revenues:</b>					
Charges for services	\$ 5,433,736	\$ 5,245,045	\$ 1,555,118	\$ 12,233,899	\$ 2,751,044
Licenses, permits and fees	-	69,526	-	69,526	-
Other	93,616	20,791	70,539	184,946	241,239
Total operating revenues	<u>5,527,352</u>	<u>5,335,362</u>	<u>1,625,657</u>	<u>12,488,371</u>	<u>2,992,283</u>
<b>Operating expenses:</b>					
Salaries	1,552,254	1,651,092	16,881	3,220,227	-
Fringe benefits	575,129	718,003	12,041	1,305,173	-
Contract services	694,022	805,599	1,621,496	3,121,117	-
Materials and supplies	2,932,432	1,085,374	19,613	4,037,419	-
Depreciation	714,309	901,407	11,301	1,627,017	-
Claims	-	-	-	-	2,951,583
Other	5,138	5,138	350	10,626	-
Total operating expenses	<u>6,473,284</u>	<u>5,166,613</u>	<u>1,681,682</u>	<u>13,321,579</u>	<u>2,951,583</u>
Operating income (loss)	<u>(945,932)</u>	<u>168,749</u>	<u>(56,025)</u>	<u>(833,208)</u>	<u>40,700</u>
<b>Nonoperating revenues (expenses):</b>					
Interest revenue	202,883	196,806	-	399,689	-
Interest expense and fiscal charges	(18,717)	(99,628)	-	(118,345)	-
Intergovernmental	294,582	-	-	294,582	-
Municipal income tax revenue	533,953	-	-	533,953	-
Total nonoperating revenues (expenses)	<u>1,012,701</u>	<u>97,178</u>	<u>-</u>	<u>1,109,879</u>	<u>-</u>
Change in net position	66,769	265,927	(56,025)	276,671	40,700
<b>Net position (deficit) at beginning of year</b>	<u>19,830,397</u>	<u>15,409,936</u>	<u>594,343</u>		<u>(119,703)</u>
<b>Net position (deficit) at end of year</b>	<u>\$ 19,897,166</u>	<u>\$ 15,675,863</u>	<u>\$ 538,318</u>		<u>\$ (79,003)</u>
Adjustment to reflect the consolidation of the internal service fund's activities related to enterprise funds				<u>89,304</u>	
Change in net position of business-type activities				<u>\$ 365,975</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF ALLIANCE, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 5,465,040	\$ 5,306,673	\$ 1,555,118	\$ 12,326,831	\$ -
Cash received from licenses and permits	-	69,526	-	69,526	-
Cash received from other operations	112,869	20,791	70,539	204,199	291,501
Cash received from interfund services provided	-	-	-	-	2,728,987
Cash payments for salaries	(1,549,033)	(1,645,427)	(16,881)	(3,211,341)	-
Cash payments for fringe benefits	(282,707)	(301,122)	(3,404)	(587,233)	-
Cash payments for interfund services	(273,737)	(361,374)	-	(635,111)	-
Cash payments for contractual services	(699,510)	(835,940)	(1,602,541)	(3,137,991)	-
Cash payments for materials and supplies	(3,087,808)	(1,145,951)	(19,613)	(4,253,372)	-
Cash payments for claims	-	-	-	-	(3,097,485)
Cash payments for other expenses	(5,138)	(5,138)	(350)	(10,626)	-
Net cash provided by (used in) operating activities	(320,024)	1,102,038	(17,132)	764,882	(76,997)
<b>Cash flows from noncapital financing activities:</b>					
Cash received from municipal income taxes	521,987	-	-	521,987	-
Cash received from OWDA grant	547,795	-	-	547,795	-
Net cash provided by noncapital financing activities	1,069,782	-	-	1,069,782	-
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets	(343,912)	(6,429,105)	-	(6,773,017)	-
Proceeds from OWDA loan	-	5,132,387	-	5,132,387	-
Principal retirement on general obligation bonds	(60,000)	-	-	(60,000)	-
Principal retirement on OPWC loans	(37,107)	(53,797)	-	(90,904)	-
Principal retirement on OWDA loans	(69,877)	(104,091)	-	(173,968)	-
Principal retirement on leases	(1,983)	-	-	(1,983)	-
Interest and fiscal charges	(18,865)	(101,617)	-	(120,482)	-
Net cash used in capital and related financing activities	(531,744)	(1,556,223)	-	(2,087,967)	-
<b>Cash flows from investing activities:</b>					
Interest received	202,883	196,806	-	399,689	-
Net cash provided by investing activities	202,883	196,806	-	399,689	-
Net increase (decrease) in cash and cash equivalents	420,897	(257,379)	(17,132)	146,386	(76,997)
<b>Cash and cash equivalents at beginning of year</b>	6,401,214	5,943,854	563,608	12,908,676	185,569
<b>Cash and cash equivalents at end of year</b>	<u>\$ 6,822,111</u>	<u>\$ 5,686,475</u>	<u>\$ 546,476</u>	<u>\$ 13,055,062</u>	<u>\$ 108,572</u>

- Continued

**CITY OF ALLIANCE, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>				<b>Governmental Activities - Internal Service Fund</b>
	<u>Water</u>	<u>Sewer</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ (945,932)	\$ 168,749	\$ (56,025)	\$ (833,208)	\$ 40,700
Adjustments:					
Depreciation/amortization	714,309	901,407	11,301	1,627,017	-
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
Accounts receivable	50,557	61,628	-	112,185	50,450
Due from other governments	-	-	-	-	(22,245)
Materials and supplies inventory	(45,297)	(22,363)	-	(67,660)	-
Prepayments	(2,554)	(2,613)	(402)	(5,569)	-
Net pension asset	18,900	18,471	265	37,636	-
Net OPEB asset	280,396	287,581	3,643	571,620	-
Deferred outflows - pension	(633,884)	(734,918)	(167)	(1,368,969)	-
Deferred outflows - OPEB	(145,231)	(160,086)	1,382	(303,935)	-
Accounts payable	(112,596)	(70,126)	20,331	(162,391)	-
Accrued wages and benefits	3,221	5,665	-	8,886	-
Due to other governments	(696)	7,084	(1,769)	4,619	-
Compensated absences payable	1,649	65,114	-	66,763	-
Net pension liability	1,583,630	1,777,201	17,184	3,378,015	-
Net OPEB liability	49,373	53,809	571	103,753	-
Deferred inflows - pension	(862,516)	(960,513)	(9,925)	(1,832,954)	-
Deferred inflows - OPEB	(273,353)	(294,052)	(3,521)	(570,926)	-
Claims payable	-	-	-	-	(145,902)
Net cash provided by (used in) operating activities	<u>\$ (320,024)</u>	<u>\$ 1,102,038</u>	<u>\$ (17,132)</u>	<u>\$ 764,882</u>	<u>\$ (76,997)</u>

**Noncash capital and related financing activities:**

At December 31, 2023, capital assets purchased on account for the Sewer fund amounted to \$562,394 and at December 31, 2022, capital assets purchased on account for the Sewer fund amounted to \$82,303.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2023

	<u>Custodial</u>
<b>Assets:</b>	
Cash and cash equivalents in segregated accounts	\$ 10,121
Total assets	<u>10,121</u>
<b>Liabilities:</b>	
Due to other governments	<u>10,121</u>
Total liabilities	<u>\$ 10,121</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ALLIANCE, OHIO**  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Custodial</b>
<b>Additions:</b>	
Fines and forfeitures collected for other governments	\$ 1,176,648
Total additions	1,176,648
<b>Deductions:</b>	
Fines and forfeitures distributed to other governments	1,176,648
Total deductions	1,176,648
Change in net position	-
<b>Net position at beginning of year</b>	-
<b>Net position at end of year</b>	\$ -

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1 - DESCRIPTION OF THE CITY**

The City of Alliance (the "City") is a statutory municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a part-time Council and full-time Mayor form of government. The Mayor, Council, Auditor, Treasurer, Judge, Clerk of Court and Law Director are elected.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes those departments and agencies that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, municipal court and general administrative services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes for the organization. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

Based on the foregoing criteria, the financial activities of the following potential component unit has been reflected in the accompanying basic financial statements as:

*DISCRETELY PRESENTED COMPONENT UNIT*

The component unit column in the combined financial statements identifies the financial data of the City's component unit: Alliance City Health Department. It is reported separately to emphasize that it is legally separate from the City.

Alliance City Health Department (the "Health Department") - is a legally separate health department. The Health Department's services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates. The City appoints a voting majority of the Board and the City has a financial benefit/burden relationship with the Health Department.

Separately issued financial statements can be obtained from the Health Department by contacting Kevin Knowles, Alliance City Auditor, 504 E. Main Street, Alliance, Ohio 44601.

Information related to the Health Department is presented in Note 19.

The City is associated with the Stark County Council of Governments, the Stark County Regional Planning Commission, and the Stark Area Regional Transit Authority, which are defined as jointly governed organizations. The City does not have any financial interest in or responsibility for these organizations (see Note 16).

The City is also associated with the Alliance Area Development Foundation (the "Foundation"). The Foundation is a not-for-profit corporation. The board of trustees consists of contributing trustees and elected trustees. The contributing trustees select the elected trustees. In 2023, the Mayor was an Ex-Officio non-voting member. The Foundation's goal is to retain companies, enhance company growth and capture new business for the Alliance area. The Foundation has been excluded from the reporting entity.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

##### A. Basis of Presentation

The City's Basic Financial Statements ("BFS") consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-Wide Financial Statements** - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service fund are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. On the statement of activities, interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental functions are self-financing or draw from the general revenues of the City.

**Fund Financial Statements** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

##### B. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Local fiscal recovery fund - The local fiscal recovery fund accounts for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**Proprietary Funds** - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water fund - This fund accounts for the provision of water treatment and distribution to residential and commercial users in the City.

Sewer fund - This fund accounts for sanitary sewer services provided to residential and commercial users in the City.

The nonmajor enterprise fund of the City are used to account for Robertson Community Center operations and garbage collection services.

Internal service fund - The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports the operations of a health self-insurance program.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Custodial funds are used to account for other fiduciary activities that are not required to be reported in a trust fund. The City's custodial fund accounts for municipal court collections collected on behalf of and distributed to other governments.

#### C. Measurement Focus and Basis of Accounting

**Government-Wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.



## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Fiduciary funds are accounted for using a flow of economic resources measurement focus.

#### **D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and custodial funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows of resources and in the presentation of expenses versus expenditures.

***Revenues - Exchange and Nonexchange Transactions*** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days following year-end.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 6.C.). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6.A.). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income taxes, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, fees, investment earnings and special assessments.

**Unearned Revenue** - Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because the amounts have not yet been earned. The City recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related to the City's net pension (asset)/liability and net OPEB liability, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, special assessments, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 12 and 13 for deferred inflows of resources related to the City's net pension (asset)/liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**E. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year with the legal restriction that the appropriations cannot exceed estimated resources, as certified. All funds, except for custodial funds, are required to be budgeted and appropriated. The legal level of budgetary control is at the personal services and other level within each department within each fund. The City has elected to present at the object level of detail within each department within the fund. Budgetary modifications at the legal level of control may only be made by resolution of the City Council.

**Tax Budget** - The Tax Budget is submitted to the County Auditor, Secretary of the County Budget Commission, by August 20 of each year for the period January 1 to December 31 of the following year.

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the amended official certificate of estimated resources in effect when final appropriations were passed by Council. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted.

**Appropriations** - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the legal level of budgetary control. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations may not exceed current estimated resources, as certified. The allocation of appropriations among funds may be modified during the year by an ordinance of Council. During the year, several supplemental appropriation measures were passed. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts passed during the year, including all amendments and modifications. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years.

**Encumbrances** - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the level adopted by Council. On the GAAP basis, encumbrances outstanding at year end are reported as part of restricted, committed, or assigned classifications of fund balance in the governmental fund financial statements.

**Lapsing of Appropriations** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During 2023, investments were limited to federal agency securities, a U.S. Government money market mutual fund, commercial paper, the State Treasury Asset Reserve of Ohio (STAR Ohio), negotiable certificates of deposit, municipal bonds, and U.S. Treasury Notes. Except for the U.S. Government money market mutual fund and STAR Ohio, as discussed below, investments are reported at fair value which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The City also measures its investment in the U.S. Government money market mutual fund at the NAV value per share. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by provisions of the Ohio Revised Code. Under existing Ohio statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during 2023 was \$122,335, which includes \$35,669 assigned from other City funds.

Restricted cash and cash equivalents in the water fund represent balances set-aside for the water replacement and a water surplus reserve. These amounts are restricted in their use and are presented as "restricted assets: equity in pooled cash and cash equivalents" in the water fund.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

The City has segregated bank accounts for monies held separate from the City's central bank account. These monies are presented in the statement of fiduciary net position as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury. The City maintains a separate bank account held at the police department that receives certain monies from the Stark County Clerk of Courts and the Alliance Municipal Court. These monies are presented in the statement of net position as "cash in segregated accounts".

##### G. Interfund Assets and Liabilities

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year is classified as "interfund loans receivable/payable" for the current portion of interfund loans. The non-current portion of interfund loans is classified as "advances to/from other funds". Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### **H. Inventories**

Inventories of governmental funds are stated at cost while the inventories of the proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies. The costs of inventory items are recorded as expenditures in the governmental fund types and as expenses in the proprietary fund types when used.

On the governmental fund financial statements, reported materials and supplies inventory is equally offset by nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of current assets.

##### **I. Restricted Assets**

Restricted assets in the enterprise funds and business-type activities include cash and cash equivalents set aside for the replacement and improvement of capital assets originally acquired with bond proceeds.

##### **J. Bond Issuance Costs, Bond Premium/Discount and Accounting Gain/Loss**

On government-wide financial statements and in the enterprise funds, issuance costs are expensed during the year in which they incurred.

Bond premiums/discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt reported in the government-wide financial statements and enterprise funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as deferred outflows or inflows of resources on the statement of net position in the government-wide financial statements and enterprise funds.

On the governmental-wide financial statements and proprietary fund financial statements, bond premiums are recognized in the current period. The reconciliation between the bond's face value and the amount reported on the statement of net position is presented in Note 11.B.

##### **K. Prepayments**

Payments made to vendors for services that will benefit the City beyond December 31, 2023 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

On the governmental fund financial statements, prepaid items are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of current assets.

##### **L. Capital Assets and Depreciation/Amortization**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and not capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$5,000.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as that used for general capital assets. Donated capital assets are recorded at acquisition cost as of the date received.

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Improvements to fund capital assets are capitalized and depreciated/amortized over the remaining useful lives of the related capital assets.

Public domain ("infrastructure") general capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized.

All capital assets are depreciated/amortized except for land, easements and right of ways and construction in progress. Depreciation/amortization of capital assets is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings, structures and improvements	10 - 40 years
Furniture, fixtures and equipment	5 - 15 years
Vehicles	5 - 20 years
Water and sewer lines	50 - 60 years
Infrastructure	5 - 50 years
Intangible right to use assets	5 years

The City reported intangible right to use assets related to leased equipment and software agreements. The intangible assets are being amortized in a systematic and rational manner over the shorter of the lease/subscription term or the useful life of the underlying asset.

**M. Compensated Absences**

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have resigned or retired will be paid.

**N. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

*Restricted* - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the City Auditor to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned* - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

#### **O. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flow of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

#### **P. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### **Q. Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**R. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the financial statements only to the extent that they are normally due for payment during the current year. Bonds, loans, leases and long-term notes that will be paid from governmental funds are recognized as a liability in the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**S. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component "net investment in capital assets" consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. Net position restricted for other purposes consist primarily of municipal court computerization, State misdemeanor programs, indigent drivers program, street maintenance and repair, Brownfield programs, municipal court security and municipal court legal research.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**T. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**U. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net pension asset, net OPEB asset, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

**V. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. The City had no extraordinary items or special items in 2023.



CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2023, the City has implemented GASB Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”, GASB Statement No. 96, “Subscription Based Information Technology Arrangements”, certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, “Omnibus 2022”.

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. These changes were incorporated in the City’s 2023 financial statements.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the City.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the City.

B. Deficit Fund Balances

Fund balances at December 31, 2023 included the following individual fund deficits:

	<u>Deficit</u>
<u>Nonmajor governmental funds</u>	
HUD Grant	\$ 178,625
Fire Pension	34,367
Police Pension	50,287
FEMA	30,000
Byrne Justine Assistance Grant	13,662
<u>Proprietary fund</u>	
Internal service fund	79,003

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and local fiscal recovery fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned, committed or restricted fund balance for that portion of outstanding encumbrances not already recognized as an accounts payable (GAAP basis);
- (d) Investments are reported at fair value (GAAP basis) rather than cost basis (budget basis);
- (e) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

**Net Change in Fund Balance**

	<u>General fund</u>	Local Fiscal <u>Recovery fund</u>
Budget basis	\$ 961,754	\$ (6,989,273)
Net adjustment for revenue accruals	736,908	5,929,540
Net adjustment for expenditure accruals	(32,836)	(16,986)
Net adjustments for other financing sources and uses	(61,709)	-
Funds budgeted elsewhere	(129,367)	-
Adjustments for encumbrances	<u>30,538</u>	<u>1,076,719</u>
GAAP basis	<u>\$ 1,505,288</u>	<u>\$ -</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the City income tax fund, gasoline revolving fund, supply revolving fund and auditor transfer fund.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the City has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

The City's monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the City Auditor or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Cash and Cash Equivalents in Segregated Accounts**

At year end, the City had \$10,121 in cash held in segregated accounts for Municipal Court operations. This amount is included in deposits with financial institutions below.

Additionally, the City had \$29,570 in cash held in segregated accounts at the police department for mandatory drug fines. This amount is included in deposits with financial institutions below.

**B. Deposits with Financial Institutions**

At December 31, 2023, the carrying amount of all City deposits was \$2,390,171 and the bank balance of all City deposits was \$596,028. Of the bank balance, \$279,570 was covered by the FDIC, \$316,457 was covered by the Ohio Pooled Collateral System and \$0 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, the City's financial institutions were approved for a reduced collateral rate of 60 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Investments**

As of December 31, 2023, the City had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	Investment Maturities				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Fair Value:</i>						
Commercial Paper	\$ 1,625,981	\$ 1,625,981	\$ -	\$ -	\$ -	\$ -
FFCB	4,495,881	494,570	344,204	762,952	-	2,894,155
FHLB	4,931,022	-	1,085,891	1,315,877	-	2,529,254
FHLMC	1,352,597	-	-	-	1,352,597	-
FNMA	2,701,161	-	-	382,174	1,404,142	914,845
FAMC	462,635	-	-	-	-	462,635
TVA	577,413	-	-	-	-	577,413
PEFCO	312,281	-	-	-	-	312,281
Negotiable CDs	2,898,683	1,716,302	-	-	150,763	1,031,618
U.S. Treasury Notes	13,193,171	794,050	1,654,406	2,191,629	-	8,553,086
Municipal Bonds	435,283	435,283	-	-	-	-
<i>Amortized Cost:</i>						
U.S. Government money market mutual fund	289,279	289,279	-	-	-	-
STAR Ohio	460,432	460,432	-	-	-	-
<b>Total</b>	<b>\$ 33,735,819</b>	<b>\$ 5,815,897</b>	<b>\$ 3,084,501</b>	<b>\$ 4,652,632</b>	<b>\$ 2,907,502</b>	<b>\$ 17,275,287</b>

The City's investments in commercial paper, federal agency securities (FFCB, FHLB, FHLMC, FNMA, FAMC, TVA, PEFCO), negotiable CD's, U.S. Treasury Notes, and municipal bonds are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Interest Rate Risk:* The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities and commercial paper are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee.

*Credit Risk:* The Standard & Poor's (S&P) and Moody's ratings are identified in the table below for each of the City's investments.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2023:

<u>Measurement/ Investment type</u>	<u>Measurement Amount</u>	<u>% of Total</u>	<u>Ratings</u>	
			<u>S&amp;P</u>	<u>Moody's</u>
<i>Fair Value:</i>				
Commercial Paper	\$ 1,625,981	4.82	A-1/A-1+	P-1
FFCB	4,495,881	13.33	AA+	Aaa
FHLB	4,931,022	14.62	AA+	Aaa
FHLMC	1,352,597	4.01	AA+	Aaa
FNMA	2,701,161	8.01	AA+	Aaa
FAMC	462,635	1.37	Not Rated	Not Rated
TVA	577,413	1.71	AA+	Aaa
PEFCO	312,281	0.93	AA+	Aaa
Negotiable CDs	2,898,683	8.59	Not Rated	Not Rated
U.S. Treasury Notes	13,193,171	39.10	AA+	Aaa
Municipal Bonds	435,283	1.29	AAA	Aaa/Aa2
<i>Amortized Cost:</i>				
U.S. Government money market mutual fund	289,279	0.86	AAAm	Aaa-mf
STAR Ohio	460,432	1.36	AAAm	Not Rated
<b>Total</b>	<b>\$ 33,735,819</b>	<b>100.00</b>		

**D. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and cash equivalents as reported on the statement of net position as of December 31, 2023:

Cash and investments per note

Carrying amount of deposits	\$ 2,390,171
Investments	33,735,819
<b>Total</b>	<b>\$ 36,125,990</b>

Cash and cash equivalents per statements of net position

Governmental activities	\$ 22,990,658
Business-type activities	13,055,062
Fiduciary funds	10,121
Health Department (Component Unit)	70,149
<b>Total</b>	<b>\$ 36,125,990</b>

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2023 consisted of taxes, accounts (billings for user charged services), loans (community development block grant and urban development action monies loaned to local businesses and low to moderate income homeowners), intergovernmental receivables arising from grants, entitlements and shared revenues, accrued interest, and special assessments. All receivables are expected to be collected within one year, except loans which are repaid over a period of five to fifteen years, and special assessments which are collected over the life of the assessment.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 6 - RECEIVABLES – (Continued)**

**A. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Alliance. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, the current portion of the receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2023 was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2022 property tax receipts were based are as follows:

<u>Real property</u>	
Residential/agricultural	\$ 226,239,230
Commercial/industrial/mineral	129,389,970
Public utility personal property	<u>17,769,110</u>
Total assessed value	<u>\$ 373,398,310</u>

**B. Loans Receivable**

Loans receivable represent the principal owed to the City for community development block grants and urban development action grants. The loans bear interest at annual rates between two and six percent. The loans are to be repaid over periods ranging from five to fifteen years. Total loans receivable at December 31, 2023 were \$326,070.

**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 6 - RECEIVABLES – (Continued)**

**C. Income Taxes**

Employers within the City are required to withhold income taxes on employee compensation and remit the taxes to the City either monthly or quarterly, as required. Corporations are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds in 2023, after income tax department expenditures, are to be credited to the following funds at the following percentages: 79 percent to the general fund, 10 percent to the capital improvements fund, 7 percent to the street income tax construction fund (a nonmajor governmental fund) and 4 percent to the water fund. On the fund financial statements, total income taxes receivable for 2023 was \$2,926,305 in the governmental funds and \$121,929 in the water fund.

**D. Special Assessments**

Special assessments include annually assessed demolition assessments and assessments for debt obligations.

Demolition special assessments are levied against all property owners which benefit from the demolitions while special assessments for debt obligations are levied against specific property owners who primarily benefited from the project.

The City's demolition assessments are billed by the County Auditor and collected by the County Treasurer. The County Auditor periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year. At December 31, 2023, the total special assessments receivable was \$1,949,342.

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 7 - CAPITAL ASSETS**

Capital asset activity for 2023 is as follows:

<b><u>Governmental activities:</u></b>	Balance 12/31/22	Additions	Deductions	Balance 12/31/23
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 3,397,787	\$ -	\$ -	\$ 3,397,787
Easements and right of ways	116,018	-	-	116,018
Construction in progress	3,787,462	3,693,468	(5,216,840)	2,264,090
<b>Total capital assets, not being depreciated/amortized</b>	<b>7,301,267</b>	<b>3,693,468</b>	<b>(5,216,840)</b>	<b>5,777,895</b>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings, structures and improvements	10,868,158	1,013,535	-	11,881,693
Furniture, fixtures and equipment	6,415,030	99,782	-	6,514,812
Vehicles	5,601,603	1,739,555	-	7,341,158
Infrastructure	38,272,754	4,616,553	-	42,889,307
Intangible right to use assets:				
Leased equipment	19,310	42,314	(6,532)	55,092
Software	-	46,514	-	46,514
<b>Total capital assets, being depreciated/amortized</b>	<b>61,176,855</b>	<b>7,558,253</b>	<b>(6,532)</b>	<b>68,728,576</b>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings, structures and improvements	(5,596,841)	(373,383)	-	(5,970,224)
Furniture, fixtures and equipment	(4,318,808)	(198,111)	-	(4,516,919)
Vehicles	(3,073,757)	(304,764)	-	(3,378,521)
Infrastructure	(32,595,674)	(982,112)	-	(33,577,786)
Intangible right to use assets:				
Leased equipment	(8,051)	(13,378)	6,532	(14,897)
Software	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	<b>(45,593,131)</b>	<b>(1,871,748)</b>	<b>6,532</b>	<b>(47,458,347)</b>
<b>Total capital assets, being depreciated/amortized net</b>	<b>15,583,724</b>	<b>5,686,505</b>	<b>-</b>	<b>21,270,229</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 22,884,991</b>	<b>\$ 9,379,973</b>	<b>\$ (5,216,840)</b>	<b>\$ 27,048,124</b>

Depreciation/amortization expense was charged to functions/programs of the City as follows:

<b><u>Governmental activities:</u></b>	
General government	\$ 255,032
Security of persons and property	396,716
Public health and welfare	692
Transportation	1,033,352
Community environment	9,958
Basic utility services	2,598
Leisure time activities	173,400
<b>Total depreciation/amortization expense - governmental activities</b>	<b>\$ 1,871,748</b>

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 7 - CAPITAL ASSETS - (Continued)**

<b><u>Business-type activities:</u></b>	Balance 12/31/22	Additions	Deductions	Balance 12/31/23
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 1,159,437	\$ -	\$ -	\$ 1,159,437
Construction in progress	5,085,867	6,909,196	-	11,995,063
<b>Total capital assets, not being depreciated/amortized</b>	<b>6,245,304</b>	<b>6,909,196</b>	<b>-</b>	<b>13,154,500</b>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	1,535,961	-	-	1,535,961
Buildings, structures and improvements	22,064,139	-	-	22,064,139
Water and sewer lines	30,209,712	242,894	-	30,452,606
Furniture, fixtures and equipment	14,207,781	101,018	-	14,308,799
Intangible right to use - leased equipment	10,743	-	-	10,743
<b>Total capital assets, being depreciated/amortized</b>	<b>68,028,336</b>	<b>343,912</b>	<b>-</b>	<b>68,372,248</b>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(1,422,633)	(8,953)	-	(1,431,586)
Buildings, structures and improvements	(9,497,515)	(460,427)	-	(9,957,942)
Water and sewer lines	(18,764,247)	(563,952)	-	(19,328,199)
Furniture, fixtures and equipment	(7,830,915)	(591,639)	-	(8,422,554)
Intangible right to use - leased equipment	(1,364)	(2,046)	-	(3,410)
<b>Total accumulated depreciation/amortization</b>	<b>(37,516,674)</b>	<b>(1,627,017)</b>	<b>-</b>	<b>(39,143,691)</b>
<b>Total capital assets, being depreciated/amortized net</b>	<b>30,511,662</b>	<b>(1,283,105)</b>	<b>-</b>	<b>29,228,557</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 36,756,966</b>	<b>\$ 5,626,091</b>	<b>\$ -</b>	<b>\$ 42,383,057</b>

Depreciation/amortization expense was charged to functions/programs of the City as follows:

<b><u>Business-type activities:</u></b>	
Water	\$ 714,309
Sewer	901,407
Robertson Community Center	10,799
Community Improvement	502
<b>Total depreciation/amortization expense - business-type activities</b>	<b>\$ 1,627,017</b>

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 8 - RISK MANAGEMENT**

**A. Liability Insurance**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2023, the City contracted with Ohio Municipal Joint Self-Insurance Pool for various types of insurance as follows:

<u>Type of Coverage</u>	<u>Deductible</u>	<u>Limit - Aggregate</u>
General Liability	\$ 1,000	\$3,000,000
Wrongful Acts	5,000	3,000,000
Law Enforcement	5,000	1,000,000
Automobile Liability	None	3,000,000
Bond	250	400,000
Crime - Theft	250	10,000
Crime - Forgery/Computer Fraud	250	100,000
Property	2,500	98,108,900
Inland Marine	1,000	3,253,770
Electronic Data Processing Equipment	1,000	593,816
Electronic Data Processing Software	1,000	75,000
Excess Liability	N/A	3,000,000

The excess liability deduction only applies to liability not covered by primary general liability, auto liability, etc. The inland marine limit includes scheduled, unscheduled and emergency portable equipment.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

**B. Workers' Compensation**

The City participates in the Ohio Municipal League Group Rating Plan (OML) for workers' compensation. The intent of the OML is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the OML. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the OML. Each participant pays its workers' compensation premium to the State based on the rate for the OML rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OML. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the OML. Participation in the OML is limited to cities that can meet the OML's selection criteria. The firm of Aultcare provides administrative, cost control and actuarial services to the OML.

**C. Health Insurance**

The City has elected to provide health care coverage to its employees through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage that covers claims in excess of \$80,000 per employee. A third-party administrator, Aultcare, reviews all claims which are then paid by the City.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 8 - RISK MANAGEMENT – (Continued)**

The claims liability of \$225,944 reported in the self-insurance fund at December 31, 2023, is estimated by the third-party administrator and is based on the requirements of GASB Statement No. 10, “*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*”, as amended by GASB Statement No. 30, “*Risk Financing Omnibus*”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last three years follow:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2021	\$ 166,843	\$ 3,055,825	\$ (3,048,651)	\$ 174,017
2022	174,017	3,391,028	(3,193,199)	371,846
2023	371,846	2,951,583	(3,097,485)	225,944

**NOTE 9 - INTERFUND TRANSACTIONS**

**A. Interfund Transfers**

Interfund transfers are used to 1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund (a nonmajor governmental fund) as debt service payments become due, 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds, 4) to provide additional resources for current operations or debt service and 5) to return money to the fund from which it was originally provided once a grant/project is complete.

A summary of interfund transfers is as follows:

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 1,013,862
Nonmajor governmental funds	Nonmajor governmental funds	<u>216,129</u>
Total		<u>\$ 1,229,991</u>

Transfers between governmental funds are eliminated on the government-wide financial statements. All transfers made in 2023 were in accordance with Ohio Revised Code sections 5705.14, 5705.15 and 5705.16.

**B. Due To/From Other Funds**

Interfund balances at December 31, 2023 as reported on the fund statements, consist of the following amounts due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	<u>\$ 161,570</u>

The primary purpose of the interfund balances is to cover negative cash balances in specific funds where revenues were not received by December 31. These interfund balances will be repaid once the anticipated revenues are received.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 9 - INTERFUND TRANSACTIONS – (Continued)**

Interfund balances between governmental funds are eliminated on the government-wide financial statements. Interfund balances between governmental funds and business-type activities are reported as an internal balance on the government-wide statement of activities.

**C. Interfund Loans Receivable/Payable**

Interfund loans receivable/payable consisted of the following at December 31, 2023, as reported on the fund financial statements.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	\$ <u>52,503</u>

These balances resulted from the lag time between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**D. Advances To/From Other Funds**

The City had long-term interfund loans at December 31, 2023. These loans are not expected to be repaid in the subsequent year. The City has classified these loans as “advances to/from other funds” on the fund financial statements.

The City had the following long-term advances outstanding at year end:

<u>Advance from</u>	<u>Advance to</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	\$ <u>5,626</u>

**NOTE 10 - TAX ABATEMENTS**

As of December 31, 2023, the City provides tax abatements through Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA’s are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity’s property tax bill.

During 2023 the City’s property tax revenues were reduced by \$11,962 as a result of these agreements.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS**

**A. Governmental activities**

A schedule of changes in long-term obligations of the City during 2023 follows:

	Balance Outstanding 12/31/22	Additions	Reductions	Balance Outstanding 12/31/23	Amounts Due Within One Year
<b><u>Governmental activities</u></b>					
<b><i>OPWC loans (direct borrowing):</i></b>					
MLK bridge rehabilitation	\$ 280,002	\$ -	\$ (13,335)	\$ 266,667	\$ 13,333
Total OPWC loans	<u>280,002</u>	<u>-</u>	<u>(13,335)</u>	<u>266,667</u>	<u>13,333</u>
<b><i>SIB loans (direct borrowing):</i></b>					
MLK bridge project	23,928	-	(23,928)	-	-
Total SIB loans	<u>23,928</u>	<u>-</u>	<u>(23,928)</u>	<u>-</u>	<u>-</u>
<b><i>Other long-term obligations:</i></b>					
Leases payable	11,445	40,797	(11,667)	40,575	11,945
Police and fire pension liability	231,347	-	(14,472)	216,875	15,093
Net pension liability	13,502,225	10,688,005	-	24,190,230	-
Net OPEB liability	2,026,742	146,380	(742,995)	1,430,127	-
Compensated absences	<u>2,469,606</u>	<u>486,082</u>	<u>(286,631)</u>	<u>2,669,057</u>	<u>946,691</u>
Total governmental activities	<u>\$ 18,545,295</u>	<u>\$ 11,361,264</u>	<u>\$ (1,093,028)</u>	<u>\$ 28,813,531</u>	<u>\$ 987,062</u>

**Ohio Public Works Commission (OPWC) Loans**

The City has entered into loan agreements with the OPWC to finance the renovation of the Dr. Martin Luther King, Jr. viaduct. These loans bear no interest. Principal payments are being made from the capital improvements fund.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

**State Infrastructure Bank (SIB) Loan**

The City has entered into SIB Loan agreements to finance the renovation of the Dr. Martin Luther King, Jr. viaduct. These are considered to be direct borrowings since they have terms negotiated directly between the City and the lender and are not offered for public sale. The loans bear a 3.00% interest rate and matured in 2023. Principal and interest payments will be made from the capital improvements fund. During 2023, the City made a principal payment of \$23,928.

**Leases Payable**

The City has entered into lease agreements for the right to use equipment. The lease payments will be paid from the general fund, the capital improvements fund (a nonmajor governmental fund), and the park levy fund (a nonmajor governmental fund).

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Police and Fire Pension Liability

The City was required to begin paying past pension for police and fire pension that were incurred when the State of Ohio established the statewide system for police and firefighters in 1967. The City is required to make semi-annual payments on May 31 and November 30 of every year. The liability carries an interest rate of 4.21% and matures on November 30, 2035. The police and fire pension liability will be paid from property tax revenue in the police pension fund (a nonmajor governmental fund) and the fire pension fund (a nonmajor governmental fund).

Net Pension Liability and Net OPEB Liability

See Notes 12 and 13 for more details. The City pays obligations related to employee compensations from the fund benefitting from their service.

Compensated Absences

Compensated absences will be paid from the fund from which the employees' salaries are paid, which for the City is primarily the general fund and the street repair and maintenance fund (a nonmajor governmental fund).

Principal and interest requirements to retire governmental long-term obligations outstanding at December 31, 2023 are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>OPWC Loan - MLK Bridge</u>		<u>Leases Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 13,333	\$ -	\$ 11,945	\$ 880
2025	13,333	-	10,171	553
2026	13,333	-	9,676	299
2027	13,333	-	4,981	131
2028	13,333	-	3,802	32
2029 - 2033	66,665	-	-	-
2034 - 2038	66,665	-	-	-
2039 - 2043	66,665	-	-	-
2044	7	-	-	-
<b>Total</b>	<b>\$ 266,667</b>	<b>\$ -</b>	<b>\$ 40,575</b>	<b>\$ 1,895</b>

<u>Year Ending</u> <u>December 31,</u>	<u>Police and Fire Pension Liability</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 15,093	\$ 9,052
2025	15,741	8,405
2026	16,417	7,729
2027	17,121	7,024
2028	17,856	6,289
2029 - 2033	101,457	19,271
2034 - 2035	33,190	1,385
<b>Total</b>	<b>\$ 216,875</b>	<b>\$ 59,155</b>

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

**B. Business-type activities**

A schedule of changes in long-term obligations of the City during 2023 follows:

	Balance Outstanding 12/31/22	Additions	Reductions	Balance Outstanding 12/31/23	Amounts Due Within One Year
<b><u>Business-type activities:</u></b>					
<b><u>General obligation bonds:</u></b>					
2012 water works improvement bonds	\$ 625,000	\$ -	\$ (60,000)	\$ 565,000	\$ 65,000
Unamortized premium	90	-	(10)	80	10
Total general obligation bonds	<u>625,090</u>	<u>-</u>	<u>(60,010)</u>	<u>565,080</u>	<u>65,010</u>
<b><u>OPWC loans (direct borrowing):</u></b>					
Beeson St. (2004)	27,567	-	(13,785)	13,782	13,782
WWTP clarifier (2006)	22,736	-	(5,684)	17,052	5,684
OPWC loan - raw influent pump replacement (2009)	145,971	-	(20,853)	125,118	20,853
Water UV Light Oxidation (2013)	816,301	-	(37,107)	779,194	37,105
WWTP Class A Biosolids (2018)	215,600	-	(13,475)	202,125	13,475
Total OPWC loans	<u>1,228,175</u>	<u>-</u>	<u>(90,904)</u>	<u>1,137,271</u>	<u>90,899</u>
<b><u>OWDA loans (direct borrowing):</u></b>					
Sludge dewatering facility (2016)	4,676,568	-	(104,091)	4,572,477	274,578
Marlington-Alliance Waterline (2017)	578,080	-	(13,650)	564,430	22,578
Carbon Feed System (2018)	661,800	-	(11,869)	649,931	39,390
TTHM Removal System (2021)	884,205	-	(44,358)	839,847	46,658
WWTP Phase I Improvements (2022)	3,463,758	5,132,387	-	8,596,145	205,417
Total OWDA loans	<u>10,264,411</u>	<u>5,132,387</u>	<u>(173,968)</u>	<u>15,222,830</u>	<u>588,621</u>
<b><u>Other long-term obligations:</u></b>					
Leases payable	9,425	-	(1,983)	7,442	2,023
Net pension liability	1,627,925	3,378,015	-	5,005,940	-
Net OPEB liability	-	103,753	-	103,753	-
Compensated absences	682,773	124,921	(58,158)	749,536	271,040
Total business-type activities	<u>\$ 14,437,799</u>	<u>\$ 8,739,076</u>	<u>\$ (385,023)</u>	<u>\$ 22,791,852</u>	<u>\$ 1,017,593</u>

**Series 2012 Various Purpose Improvement and Refunding Bonds**

On March 26, 2012, the City issued \$2,475,000 in 2012 various purpose improvement bonds. In the water enterprise fund, \$1,245,000 was issued in various improvement bonds for waterworks projects.

The waterworks improvement bonds are comprised of current interest bonds (consisting of \$330,000 of serial bonds and \$915,000 term bonds). The interest rate on the current interest bonds ranges from 1.0% to 3.225%. The bonds were issued for a nineteen-year period, with a final stated maturity date of December 1, 2031. The bonds will be retired through the water fund.

The waterworks improvement bonds maturing on December 1, 2024 shall be subject to mandatory redemption requirements on December 1, 2021, December 1, 2022 and December 1, 2023, in the respective principal amounts of \$60,000, \$60,000 and \$60,000 (with the balance of \$65,000 to be paid at maturity on December 1, 2024).

The waterworks improvement bonds maturing on December 1, 2028 shall be subject to mandatory redemption requirements on December 1, 2025, December 1, 2026 and December 1, 2027, in the respective principal amounts of \$65,000, \$65,000 and \$70,000 (with the balance of \$70,000 to be paid at maturity on December 1, 2028).



## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The waterworks improvement bonds maturing on December 1, 2031 shall be subject to mandatory redemption requirements on December 1, 2029 and December 1, 2030, in the respective principal amounts of \$75,000 and \$75,000 (with the balance of \$80,000 to be paid at maturity on December 1, 2031).

##### Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance various water and sewer improvement projects. These loans bear no interest and are being repaid from user fees generated by the water fund and the sewer fund. Principal payments are made from the water and sewer funds.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

##### Ohio Water Development Authority (OWDA) Loans

The City has entered into five loan agreements with the OWDA to finance the construction of a sludge dewatering facility, the Marlinton-Alliance waterline project, a carbon feed system, a TTHM removal system and Phase I improvements of the wastewater facility. These loans accrue interest that will be capitalized as they come due. The interest rates on the loans range from 0% to 1.47%.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

##### Sewer Pledged Revenue

The City has pledged future revenues, net of operating expenses, to repay OWDA loans in the sewer fund. The debt is payable solely from net revenues through 2039. Annual principal and interest payments on the debt issues are expected to require 13.76 percent of net revenues. Principal and interest paid for the current year and total net revenues available were \$174,293 and \$1,266,962, respectively.

##### Water Pledged Revenue

The City has pledged future revenues, net of operating expenses, to repay OWDA loans in the water fund. The debt is payable solely from net revenues through 2039. Annual principal and interest payments on the debt issues are expected to require 243.14 percent of net revenues. Principal and interest paid for the current year and total net revenues available were \$69,877 and a deficit of \$28,740, respectively.

##### Leases Payable

The City has entered into a lease agreement for the right to use equipment. The lease payments will be paid from the water fund.

##### Net Pension Liability and Net OPEB Liability

See Notes 12 and 13 for detail on the net pension liability and net OPEB liability.

##### Compensated absences

Compensated absences will be paid from the water fund and sewer fund.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Asset Retirement Obligation

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. Any ARO associated with these public safety issues are not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

Principal and interest requirements to retire business-type long-term obligations outstanding at December 31, 2023 are as follows:

Year Ending December 31,	2012 Water Works Improvement		OPWC - Beeson Street		OPWC - WWTP Clarifier	
	Principal	Interest	Principal	Interest	Principal	Interest
	2024	\$ 65,000	\$ 17,200	\$ 13,782	\$ -	\$ 5,684
2025	65,000	15,575	-	-	5,684	-
2026	65,000	13,625	-	-	5,684	-
2027	70,000	11,675	-	-	-	-
2028	70,000	9,575	-	-	-	-
2029 - 2031	230,000	15,112	-	-	-	-
Total	<u>\$ 565,000</u>	<u>\$ 82,762</u>	<u>\$ 13,782</u>	<u>\$ -</u>	<u>\$ 17,052</u>	<u>\$ -</u>

Year Ending December 31,	OPWC - Raw Influent Pump Replacement		OPWC - WWTP Ultraviolet Light Oxidation		OPWC - WWTP Class A Biosolids	
	Principal	Interest	Principal	Interest	Principal	Interest
	2024	\$ 20,853	\$ -	\$ 37,105	\$ -	\$ 13,475
2025	20,853	-	37,105	-	13,475	-
2026	20,853	-	37,105	-	13,475	-
2027	20,853	-	37,105	-	13,475	-
2028	20,853	-	37,105	-	13,475	-
2029 - 2033	20,853	-	185,524	-	67,375	-
2034 - 2038	-	-	185,524	-	67,375	-
2039 - 2043	-	-	185,524	-	-	-
2044	-	-	37,097	-	-	-
Total	<u>\$ 125,118</u>	<u>\$ -</u>	<u>\$ 779,194</u>	<u>\$ -</u>	<u>\$ 202,125</u>	<u>\$ -</u>

Year Ending December 31,	OWDA - Sludge Dewatering Facility		OWDA - Marlington- Alliance Waterline		OWDA - Carbon Feed System	
	Principal	Interest	Principal	Interest	Principal	Interest
	2024	\$ 274,578	\$ 66,210	\$ 22,578	\$ -	\$ 39,390
2025	278,630	62,158	22,577	-	39,390	-
2026	282,740	58,048	22,577	-	39,389	-
2027	286,912	53,876	22,577	-	39,390	-
2028	291,144	49,644	22,578	-	39,390	-
2029 - 2033	1,521,437	182,503	112,887	-	196,949	-
2034 - 2038	1,637,036	66,904	112,886	-	196,948	-
2039 - 2043	-	-	112,885	-	59,085	-
2044 - 2048	-	-	112,885	-	-	-
Total	<u>\$ 4,572,477</u>	<u>\$ 539,343</u>	<u>\$ 564,430</u>	<u>\$ -</u>	<u>\$ 649,931</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Year Ending December 31,	OWDA - TTHM Removal System		OWDA - WWTP Phase I Improvements		Leases Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 46,658	\$ -	\$ 205,417	\$ 19,771	\$ 2,023	\$ 131
2025	46,658	-	412,251	38,124	2,065	90
2026	46,658	-	414,150	36,226	2,106	48
2027	46,658	-	416,058	34,318	1,248	9
2028	46,659	-	417,974	32,402	-	-
2029 - 2033	233,291	-	2,118,919	132,959	-	-
2034 - 2038	233,290	-	2,168,159	83,716	-	-
2039 - 2043	139,975	-	2,218,546	33,328	-	-
2044	-	-	224,671	516	-	-
Total	<u>\$ 839,847</u>	<u>\$ -</u>	<u>\$ 8,596,145</u>	<u>\$ 411,360</u>	<u>\$ 7,442</u>	<u>\$ 278</u>

**C. Legal Debt Margin**

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2023, the City's total debt margin was \$39,206,823 and the unvoted debt margin was \$20,536,907.

**D. Conduit Debt**

The City has issued Industrial Development Revenue Bonds for private-sector entities for the acquisition and construction of facilities deemed to be in the public's interest. Servicing these debts is the sole obligation of the entities which received the debt proceeds. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The City provides a limited commitment to maintain the tax-exempt status of the conduit debt. As of December 31, 2023, \$62,210,000 had been issued and \$23,875,000 was still outstanding.

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability/Asset and Net OPEB Liability***

The net pension liability/asset and the net OPEB liability reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions and OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### **NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The net pension liability/asset and the net OPEB liability represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability/asset is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability/asset on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual basis of accounting.

The remainder of this note includes the pension disclosures. See Note 13 for the OPEB disclosures.

#### ***Plan Description - Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local		Public Safety	Law Enforcement
	Traditional	Combined		
<b>2023 Statutory Maximum Contribution Rates</b>				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
<b>2023 Actual Contribution Rates</b>				
Employer:				
Pension ****	14.0 %	12.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	0.0	2.0	0.0	0.0
Total Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee	10.0 %	10.0 %	12.0 %	13.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

\*\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,063,183 for 2023. Of this amount, \$109,841 is reported as due to other governments.

***Plan Description - Ohio Police & Fire Pension Fund (OP&F)***

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, statutory survivors and annuity beneficiaries. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member’s base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member’s base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2023 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %



**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,102,291 for 2023. Of this amount, \$102,204 is reported as due to other governments.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2023, the specific liability of the City was \$216,875 payable in semi-annual payments through the year 2035.

***Net Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City’s proportion of the net pension liability or asset was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.04474000%	0.04003200%	0.02061000%	0.18490720%	
Proportion of the net pension liability/asset current measurement date	<u>0.04424000%</u>	<u>0.03242100%</u>	<u>0.02077300%</u>	<u>0.18030890%</u>	
Change in proportionate share	<u>-0.00050000%</u>	<u>-0.00761100%</u>	<u>0.00016300%</u>	<u>-0.00459830%</u>	
Proportionate share of the net pension liability	\$ 12,068,572	\$ -	\$ -	\$ 17,127,598	\$ 29,196,170
Proportionate share of the net pension asset	-	(70,566)	(1,501)	-	(72,067)
Pension expense	1,724,483	9,047	(145)	1,920,030	3,653,415

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
<b>Deferred outflows of resources</b>					
Differences between expected and actual experience	\$ 400,867	\$ 4,339	\$ 4,312	\$ 256,909	\$ 666,427
Net difference between projected and actual earnings on pension plan investments	3,439,923	25,715	701	2,493,567	5,959,906
Changes of assumptions	127,496	4,673	97	1,544,850	1,677,116
Changes in employer's proportionate percentage/ difference between employer contributions	170,379	-	-	104,932	275,311
Contributions subsequent to the measurement date	1,033,878	13,330	15,975	1,102,291	2,165,474
Total deferred outflows of resources	<u>\$ 5,172,543</u>	<u>\$ 48,057</u>	<u>\$ 21,085</u>	<u>\$ 5,502,549</u>	<u>\$ 10,744,234</u>
<b>Deferred inflows of resources</b>					
Differences between expected and actual experience	\$ -	\$ 10,081	\$ -	\$ 390,215	\$ 400,296
Changes of assumptions	-	-	-	333,984	333,984
Changes in employer's proportionate percentage/ difference between employer contributions	191,828	-	-	646,523	838,351
Total deferred inflows of resources	<u>\$ 191,828</u>	<u>\$ 10,081</u>	<u>\$ -</u>	<u>\$ 1,370,722</u>	<u>\$ 1,572,631</u>

\$2,165,474 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2024.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Year Ending December 31:					
2024	\$ 451,439	\$ 1,044	\$ 714	\$ 158,052	\$ 611,249
2025	797,747	4,728	768	708,412	1,511,655
2026	1,012,535	6,567	782	871,362	1,891,246
2027	1,685,116	11,072	882	1,371,888	3,068,958
2028	-	(31)	508	(80,179)	(79,702)
Thereafter	-	1,266	1,456	1	2,723
Total	<u>\$ 3,946,837</u>	<u>\$ 24,646</u>	<u>\$ 5,110</u>	<u>\$ 3,029,536</u>	<u>\$ 7,006,129</u>

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation

Current measurement date	2.75%
Prior measurement date	2.75%

Future salary increases, including inflation

Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation

COLA or ad hoc COLA

Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple

Investment rate of return

Current measurement date	6.90%
Prior measurement date	6.90%

Actuarial cost method

Individual entry age

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00 %</u>	<u>                    </u>

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 18,078,319	\$ 12,068,572	\$ 7,069,542
Combined Plan	(36,827)	(70,566)	(97,306)
Member-Directed Plan	(959)	(1,501)	(1,918)

**Actuarial Assumptions - OP&F**

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Experience study assumptions were performed by OP&F's prior actuary and completed as of December 31, 2016. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful live of the participants which was 5.81 years at December 31, 2022.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2022, compared to December 31, 2021, are presented below.

Valuation date	1/1/22 with actuarial liabilities rolled forward to 12/31/22
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

*Health Mortality*

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

*Disabled Mortality*

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

*Contingent Annuitant Mortality*

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

*Pre-Retirement Mortality*

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
<b>Total</b>	<b>125.00 %</b>	

Note: assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation.

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50%. A discount rate of 7.50% was used in the previous measurement date. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 22,594,606	\$ 17,127,598	\$ 12,582,873

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

See Note 12 for a description of the net OPEB liability.

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

***Group A*** 30 years of qualifying service credit at any age;

***Group B*** 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

***Group C*** 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.



## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### **NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

**Funding Policy** - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$8,611 for 2023. Of this amount, \$890 is reported as due to other governments.

***Plan Description - Ohio Police & Fire Pension Fund (OP&F)***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$26,427 for 2023. Of this amount, \$2,450 is reported as due to other governments.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Net OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.04363800%	0.18490720%	
Proportion of the net OPEB liability current measurement date	<u>0.04295800%</u>	<u>0.18030890%</u>	
Change in proportionate share	<u>-0.00068000%</u>	<u>-0.00459830%</u>	
Proportionate share of the net OPEB liability	\$ 250,133	\$ 1,283,747	\$ 1,533,880
OPEB expense	(464,289)	61,254	(403,035)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 76,606	\$ 76,606
Net difference between projected and actual earnings on OPEB plan investments	496,775	110,109	606,884
Changes of assumptions	244,313	639,749	884,062
Changes in employer's proportionate percentage/difference between employer contributions	1,021	60,333	61,354
Contributions subsequent to the measurement date	8,611	26,427	35,038
Total deferred outflows of resources	<u>\$ 750,720</u>	<u>\$ 913,224</u>	<u>\$ 1,663,944</u>

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	OPERS	OP&F	Total
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 62,392	\$ 253,128	\$ 315,520
Changes of assumptions	20,105	1,050,001	1,070,106
Changes in employer's proportionate percentage/difference between employer contributions	8,023	190,785	198,808
Total deferred inflows of resources	<u>\$ 90,520</u>	<u>\$ 1,493,914</u>	<u>\$ 1,584,434</u>

\$35,038 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2024	\$ 76,657	\$ (62,804)	\$ 13,853
2025	180,040	(45,507)	134,533
2026	154,911	(72,056)	82,855
2027	239,981	(44,145)	195,836
2028	-	(115,883)	(115,883)
Thereafter	-	(266,722)	(266,722)
Total	<u>\$ 651,589</u>	<u>\$ (607,117)</u>	<u>\$ 44,472</u>

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
	including wage inflation
Prior Measurement date	2.75 to 10.75%
	including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6% for 2022.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System’s primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board’s investment consultant.

For each major asset class that is included in the Health Care’s portfolio’s target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	<u>100.00 %</u>	<u>          </u>

**Discount Rate** - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability/(asset)	\$ 851,340	\$ 250,133	\$ (245,960)

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 234,456	\$ 250,133	\$ 267,779

***Actuarial Assumptions - OP&F***

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.27%
Prior measurement date	2.84%
Cost of Living Adjustments	2.20% simple per year

*Health Mortality*

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

*Disabled Mortality*

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

*Contingent Annuitant Mortality*

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

*Pre-Retirement Mortality*

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.



**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
<b>Total</b>	<b>125.00 %</b>	

Note: assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation.

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** - For 2022, the total OPEB liability was calculated using the discount rate of 4.27%. For 2021, the total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2035 and the Municipal Bond Index Rate of 3.65% was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27%.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

*Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate* - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27%), or one percentage point higher (5.27%) than the current rate.

	1% Decrease		Current Discount Rate		1% Increase
City's proportionate share of the net OPEB liability	\$ 1,580,814	\$	1,283,747	\$	1,032,946

*Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate* - The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

**NOTE 14 - OTHER EMPLOYEE BENEFITS**

**Compensated Absences**

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Vacation accumulation is limited to one year. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at the rate of 2.3 hours for every forty hours of service. Upon retirement or death, most employees receive up to 960 hours of such time on credit plus 25% of the next 600 hours on credit for a maximum not to exceed 1,110 hours. Several union contracts have additional language limiting employees hired within the past 15 years to either 960 hours or 25% of all hours on credit, whichever is less, or 25% of all hours on credit not to exceed 240 hours paid.

If any employee leaves the City for any reason, the City will pay the employee a maximum of 240 hours, except for IAFF employees who will be paid a maximum of 480 hours, for the compensatory time. As of December 31, 2023, the total liability for unpaid compensated absences was \$2,669,057 for the governmental activities and \$749,536 for the business-type activities.

**NOTE 15 - COMMITMENTS AND CONTINGENCIES**

**A. Grants**

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2023.

**B. Litigation**

The City is not a party to legal proceedings that, in the opinion of management, would have a material adverse effect on the financial statements.

**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS**

***Stark County Council of Governments (SCOG)*** - The City participates in the Stark County Council of Governments (SCOG), which is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities, villages and townships. The membership elects a nine member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and oversees accounting and finance related activities. Each participant's control is limited to its membership shares. During 2023, the City did not contribute to SCOG. Complete financial statements may be obtained from the Stark County Council of Governments, P.O. Box 21451, Canton, Ohio 44701-1451.

***Stark County Regional Planning Commission*** - The City participates in the Stark County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 85 member Board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the Board. The principal aim of the Commission is to provide comprehensive planning, both long and short range, dealing with the economic and physical environment of Stark County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission's liabilities. During 2023, the City did not contribute to the Commission. Complete financial statements may be obtained from the Stark County Regional Planning Commission, 201 3<sup>rd</sup> Street NE, Suite 201, Canton, Ohio 44702.

***Stark Area Regional Transit Authority*** - The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon, and Alliance. A nine member board of trustees oversees the operation of the Authority. Of the nine members, the City appoints one member. Each member's control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Authority's liabilities. The Authority provides transportation services in Stark County. Complete financial statements may be obtained from the Stark Area Regional Transit Authority, 1600 Gateway Boulevard, SE, Canton, Ohio 44707.

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 17 - OTHER COMMITMENTS**

**A. Encumbrances**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year-end, the City’s commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 42,455
Local fiscal recovery fund	941,855
Nonmajor governmental funds	<u>188,977</u>
Total	<u>\$ 1,173,287</u>

**B. Contractual Commitments**

The City has entered into services agreements with various contractors for upgrades to and maintenance on certain of the City’s water tanks. The agreements are cancelable upon 90 days written notice after 5 years, 6 years and 7 years for Clark Street, 23<sup>rd</sup> Street and Mid Park, respectively. Payments are made from the water fund. The following is a schedule of the future minimum payments required under the agreements:

<u>Year</u>	<u>Clark Street</u>	<u>23rd Street</u>	<u>Mid Park</u>	<u>Rosemont</u>	<u>WTP Clar 1</u>	<u>WTP Clar 2</u>	<u>Total</u>
2024	\$ 30,445	\$ 27,724	\$ 130,051	\$ 11,229	\$ 4,896	\$ 2,448	\$ 206,793
2025	31,523	28,705	28,323	11,626	2,509	5,018	107,704
2026	32,639	29,722	29,326	12,038	5,144	2,572	111,441
2027	33,794	30,774	30,364	12,464	2,636	5,272	115,304
2028	<u>34,990</u>	<u>31,863</u>	<u>31,439</u>	<u>12,905</u>	<u>5,404</u>	<u>2,702</u>	<u>119,303</u>
Total	<u>\$ 163,391</u>	<u>\$ 148,788</u>	<u>\$ 249,503</u>	<u>\$ 60,262</u>	<u>\$ 20,589</u>	<u>\$ 18,012</u>	<u>\$ 660,545</u>

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 18 - FUND BALANCE**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Materials and supplies inventory	\$ 42,390	\$ -	\$ 99,530	\$ 141,920
Prepays	168,962	-	38,781	207,743
Unclaimed monies	128,985	-	-	128,985
Total nonspendable	<u>340,337</u>	<u>-</u>	<u>138,311</u>	<u>478,648</u>
Restricted:				
Judicial operations	-	-	448,946	448,946
Security programs	-	-	395,214	395,214
K-9 collections	2,522	-	-	2,522
Drones	830	-	-	830
Public health service programs	-	-	943,751	943,751
Transportation projects	-	-	1,360,367	1,360,367
Community environment programs	-	-	3,135,705	3,135,705
Leisure time activities	-	-	3,894	3,894
Capital projects	-	-	108,188	108,188
Long-term loans	-	-	326,070	326,070
Debt service	-	-	43,850	43,850
Total restricted	<u>3,352</u>	<u>-</u>	<u>6,765,985</u>	<u>6,769,337</u>
Committed:				
General government operations	27,458	-	538	27,996
Community environment programs	-	-	4,144	4,144
Leisure time activities	-	-	1,082	1,082
Transportation	-	-	8,502	8,502
Capital projects	-	-	4,678,591	4,678,591
Total committed	<u>27,458</u>	<u>-</u>	<u>4,692,857</u>	<u>4,720,315</u>
Assigned:				
General government operations	163,873	-	-	163,873
Security programs	17,293	-	-	17,293
Community environment programs	253	-	-	253
Public health service programs	326	-	-	326
Subsequent year appropriations	142,641	-	-	142,641
Total assigned	<u>324,386</u>	<u>-</u>	<u>-</u>	<u>324,386</u>
Unassigned (deficit)	<u>4,907,315</u>	<u>-</u>	<u>(309,294)</u>	<u>4,598,021</u>
Total fund balances	<u>\$ 5,602,848</u>	<u>\$ -</u>	<u>\$ 11,287,859</u>	<u>\$ 16,890,707</u>

## CITY OF ALLIANCE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

#### NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT

The Alliance City Health Department Board is directed by a five member Board and a Health Commissioner. The Health Department services include communicable disease investigations, immunization clinics, environmental inspections, food inspections, mosquito control, housing inspection and demolition, vital statistics, public health nursing services, WIC Nutrition Program, and health-related licenses and permits.

The Health Department's management believes these financial statements present all activities for which the Health Department is financially accountable. The Health Department has no component units. The Health Department is a discretely presented component unit of the City of Alliance.

#### **Summary of Significant Accounting Policies**

The financial statements of the Health Department have been prepared in conformity with GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Health Department's accounting policies are described as follows.

***Basis of Presentation - Government-Wide Financial Statements*** - The statement of net position and the statement of activities display information about the Health Department as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The Health Department has no fiduciary funds. The statements distinguish between those activities of the Health Department that are governmental and those that are considered business-type activities. The Health Department has no business-type activities.

The statement of net position presents the financial condition of the governmental activities for the Health Department at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Health Department's activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operation of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Health Department, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Health Department.

***Measurement Focus - Government-Wide Financial Statements*** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Health Department are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

***Basis of Accounting*** - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

***Revenues-Exchange and Nonexchange Transactions*** - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. Nonexchange transactions, in which the Health Department receives value without directly giving equal value in return, include intergovernmental contractual allocations from participating local governments, grants, entitlements, and donations. Revenue from intergovernmental contractual allocations, grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Health Department must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Health Department on a reimbursement basis.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

*Expenses* - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

*Deferred Outflows of Resources/Deferred Inflows of Resources* - In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Health Department, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Health Department, deferred inflows of resources are reported on the government-wide statement of net position for pension and OPEB.

*Estimates* - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

*Capital Assets* - Capital assets are reported in the government-wide financial statements. In accordance with the City’s policy, all capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Health Department maintains a capitalization threshold of \$5,000, in accordance with the City’s policy.

All reported capital assets are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Furniture, fixtures and equipment	5 - 20 years

*Compensated Absences* - Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Health Department will compensate the employees for the benefits through paid time off or some other means. The Health Department records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the Department’s past experience of making termination payments.

*Pensions/Other Postemployment Benefits (OPEB)* - For purposes of measuring the net pension/OPEB liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

*Net Position* - Net position represents the difference between all other elements on the statement of net position. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health Department’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

**Deposits and Investments**

The City Auditor is the custodian for the Health Department’s cash. The City’s cash and investment pool holds the Health Department’s cash, which is included in the City’s carrying amount reported in Note 5.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which the service is consumed.

**Capital Assets**

Capital asset activity for the year ended December 31, 2023, for the Health Department was as follows:

	Balance			Balance
	<u>12/31/22</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/23</u>
<i>Capital assets, being depreciated:</i>				
Furniture, fixtures and equipment	\$ 62,637	\$ 12,388	\$ -	\$ 75,025
<i>Less: accumulated depreciation:</i>				
Furniture, fixtures and equipment	<u>(37,850)</u>	<u>(3,602)</u>	<u>-</u>	<u>(41,452)</u>
Total capital assets being depreciated, net	<u>24,787</u>	<u>8,786</u>	<u>-</u>	<u>33,573</u>
Health Department capital assets, net	<u>\$ 24,787</u>	<u>\$ 8,786</u>	<u>\$ -</u>	<u>\$ 33,573</u>

**Long-Term Obligations**

Changes in the Health Department’s long-term obligations during the year consisted of the following:

	Balance			Balance	Due Within
	<u>12/31/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/23</u>	<u>One Year</u>
Compensated absences	\$ 224,844	\$ 96,229	\$ (74,547)	\$ 246,526	\$ 82,022
Net pension liability	314,342	685,601	-	999,943	-
Net OPEB liability	<u>-</u>	<u>20,725</u>	<u>-</u>	<u>20,725</u>	<u>-</u>
Total governmental-type long-term obligations	<u>\$ 539,186</u>	<u>\$ 802,555</u>	<u>\$ (74,547)</u>	<u>\$ 1,267,194</u>	<u>\$ 82,022</u>

**Risk Management**

The Health Department is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Health Department is included under the City’s programs for property and liability and workers’ compensation, see Note 8 for detail.



**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

**Employee Benefits**

The Health Department is included under the City’s programs for life/health insurance and compensated absences, see Note 8.C and Note 14 for detail.

**Defined Benefit Pension Plans**

Plan descriptions and actuarial information for the Health Department’s defined benefit pension plans are the same as the City’s (see Note 12 for detail).

The Health Department’s contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$88,090 for 2023. Of this amount, \$8,405 is reported as due to other governments.

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Health Department’s proportion of the net pension liability or asset was based on the Health Departments’ share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense of the Health Department:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Proportion of the net pension liability/asset prior measurement date	0.00361300%	0.00323300%	0.00166400%	
Proportion of the net pension liability/asset current measurement date	<u>0.00338500%</u>	<u>0.00248100%</u>	<u>0.00158900%</u>	
Change in proportionate share	<u>-0.00022800%</u>	<u>-0.00075200%</u>	<u>-0.00007500%</u>	
Proportionate share of the net pension liability	\$ 999,943	\$ -	\$ -	\$ 999,943
Proportionate share of the net pension asset	-	(5,847)	(124)	(5,971)
Pension expense	143,753	750	(12)	144,491

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**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

At December 31, 2023, the Health Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
<b>Deferred outflows of resources</b>				
Differences between expected and actual experience	\$ 33,214	\$ 359	\$ 357	\$ 33,930
Net difference between projected and actual earnings on pension plan investments	285,016	2,131	58	287,205
Changes of assumptions	10,564	387	8	10,959
Changes in employer's proportionate percentage/ difference between employer contributions	1,651	-	-	1,651
Contributions subsequent to the measurement date	85,662	1,104	1,324	88,090
Total deferred outflows of resources	<u>\$ 416,107</u>	<u>\$ 3,981</u>	<u>\$ 1,747</u>	<u>\$ 421,835</u>

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
<b>Deferred inflows of resources</b>				
Differences between expected and actual experience	\$ -	\$ 835	\$ -	\$ 835
Changes in employer's proportionate percentage/ difference between employer contributions	22,972	-	-	22,972
Total deferred inflows of resources	<u>\$ 22,972</u>	<u>\$ 835</u>	<u>\$ -</u>	<u>\$ 23,807</u>

\$88,090 reported as deferred outflows of resources related to pension resulting from Health Department contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2024.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
2024	\$ 34,542	\$ 80	\$ 55	\$ 34,677
2025	41,360	362	59	41,781
2026	77,475	502	60	78,037
2027	154,096	847	67	155,010
2028	-	(2)	39	37
Thereafter	-	253	143	396
<b>Total</b>	<b>\$ 307,473</b>	<b>\$ 2,042</b>	<b>\$ 423</b>	<b>\$ 309,938</b>

***Sensitivity of the Health Department's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate*** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Health Department's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 1,497,881	\$ 999,943	\$ 585,748
Combined Plan	(3,051)	(5,847)	(8,062)
Member-Directed Plan	(79)	(124)	(159)

**Defined Benefit OPEB Plan**

Plan descriptions and actuarial information for the Health Department's defined benefit OPEB plan are the same as the City's (see Note 13 for detail).

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health Department's contractually required contribution was \$714 for 2023. Of this amount, \$68 is reported as due to other governments.

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The Health Department's proportion of the net OPEB liability was based on the Health Department's share of contributions to the retirement plan relative to the contributions of all participating entities.

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the net OPEB liability/asset prior measurement date	0.00352400%
Proportion of the net OPEB liability current measurement date	<u>0.00328700%</u>
Change in proportionate share	<u><u>-0.00023700%</u></u>
Proportionate share of the net OPEB liability	\$ 20,725
OPEB expense	(33,812)

At December 31, 2023, the Health Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
<b>Deferred outflows of resources</b>	
Net difference between projected and actual earnings on OPEB plan investments	\$ 41,160
Changes of assumptions	20,242
Changes in employer's proportionate percentage/ difference between employer contributions	90
Contributions subsequent to the measurement date	714
Total deferred outflows of resources	<u><u>\$ 62,206</u></u>

	OPERS
<b>Deferred inflows of resources</b>	
Differences between expected and actual experience	\$ 5,170
Changes of assumptions	1,666
Changes in employer's proportionate percentage/ difference between employer contributions	531
Total deferred inflows of resources	<u><u>\$ 7,367</u></u>

**CITY OF ALLIANCE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

\$714 reported as deferred outflows of resources related to OPEB resulting from Health Department contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending December 31:	
2024	\$ 5,865
2025	13,871
2026	11,853
2027	22,536
Total	\$ 54,125

***Sensitivity of the Health Department's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*** - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Health Department's proportionate share of the net OPEB liability/(asset)	\$ 70,538	\$ 20,725	\$ (20,379)

***Sensitivity of the Health Department's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Health Department's proportionate share of the net OPEB liability	\$ 19,426	\$ 20,725	\$ 22,187

**CITY OF ALLIANCE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)**

**Contingencies**

**Grants** - The Health Department received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect, if any, on the financial condition of the Health Department.

**Litigation** - The Health Department is not party to any legal proceedings that, in the opinion of management, will have a material adverse effect on the financial condition of the Health Department.

**NOTE 20 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the City and Health Department received COVID-19 funding. The City and Health Department will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY/NET PENSION ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.044240%	0.044740%	0.044803%	0.045045%
City's proportionate share of the net pension liability	\$ 12,068,572	\$ 3,578,218	\$ 6,106,066	\$ 8,217,876
City's covered payroll	\$ 6,296,643	\$ 5,976,107	\$ 5,758,643	\$ 5,864,329
City's proportionate share of the net pension liability as a percentage of its covered payroll	191.67%	59.88%	106.03%	140.13%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	92.62%	86.88%	82.17%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.032421%	0.040032%	0.042390%	0.042546%
City's proportionate share of the net pension asset	\$ 70,566	\$ 144,990	\$ 112,620	\$ 81,888
City's covered payroll	\$ 138,529	\$ 167,964	\$ 172,429	\$ 175,100
City's proportionate share of the net pension asset as a percentage of its covered payroll	50.94%	86.32%	65.31%	46.77%
Plan fiduciary net position as a percentage of the total pension asset	137.14%	169.88%	157.67%	145.28%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.020773%	0.020610%	0.022838%	0.028319%
City's proportionate share of the net pension asset	\$ 1,501	\$ 3,440	\$ 3,832	\$ 988
City's covered payroll	\$ 129,930	\$ 118,920	\$ 126,600	\$ 155,640
City's proportionate share of the net pension asset as a percentage of its covered payroll	1.16%	2.89%	3.03%	0.63%
Plan fiduciary net position as a percentage of the total pension asset	126.74%	171.84%	188.21%	118.84%

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
	0.046253%	0.045608%	0.048872%	0.048789%	0.048044%	0.048044%
\$	11,711,738	\$ 7,155,011	\$ 11,097,999	\$ 8,450,870	\$ 5,794,643	\$ 5,663,762
\$	5,779,421	\$ 5,746,500	\$ 6,345,067	\$ 6,022,642	\$ 5,899,225	\$ 5,845,338
	202.65%	124.51%	174.91%	140.32%	98.23%	96.89%
	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
	0.043291%	0.042204%	0.045284%	0.043680%	0.043697%	0.043697%
\$	44,755	\$ 57,453	\$ 25,204	\$ 21,256	\$ 16,824	\$ 4,585
\$	171,243	\$ 172,846	\$ 176,275	\$ 158,975	\$ 153,433	\$ 119,669
	26.14%	33.24%	14.30%	13.37%	10.97%	3.83%
	126.64%	137.28%	116.55%	116.90%	114.83%	104.56%
	0.027864%	0.030049%	0.043375%	0.043228%	n/a	n/a
\$	587	\$ 1,049	\$ 181	\$ 165	n/a	n/a
\$	146,370	\$ 164,700	\$ 178,258	\$ 240,742	n/a	n/a
	0.40%	0.64%	0.10%	0.07%	n/a	n/a
	113.42%	124.45%	103.40%	103.91%	n/a	n/a

**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net pension liability	0.18030890%	0.18490720%	0.18272350%	0.18989990%
City's proportionate share of the net pension liability	\$ 17,127,598	\$ 11,551,932	\$ 12,456,425	\$ 12,792,672
City's covered payroll	\$ 4,939,960	\$ 4,765,425	\$ 4,506,894	\$ 4,581,775
City's proportionate share of the net pension liability as a percentage of its covered payroll	346.72%	242.41%	276.39%	279.21%
Plan fiduciary net position as a percentage of the total pension liability	62.90%	75.03%	70.65%	69.89%

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.20053100%	0.19721500%	0.20455100%	0.20491200%	0.21463130%	0.21463130%
\$ 16,368,628	\$ 12,103,989	\$ 12,956,102	\$ 13,182,132	\$ 11,118,796	\$ 10,453,218
\$ 4,598,780	\$ 4,093,300	\$ 4,552,466	\$ 4,233,608	\$ 4,341,884	\$ 4,175,541
355.93%	295.70%	284.60%	311.37%	256.08%	250.34%
63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 1,033,878	\$ 881,530	\$ 836,655	\$ 806,210
Contributions in relation to the contractually required contribution	<u>(1,033,878)</u>	<u>(881,530)</u>	<u>(836,655)</u>	<u>(806,210)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 7,384,843	\$ 6,296,643	\$ 5,976,107	\$ 5,758,643
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 13,330	\$ 19,394	\$ 23,515	\$ 24,140
Contributions in relation to the contractually required contribution	<u>(13,330)</u>	<u>(19,394)</u>	<u>(23,515)</u>	<u>(24,140)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 111,083	\$ 138,529	\$ 167,964	\$ 172,429
Contributions as a percentage of covered payroll	12.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 15,975	\$ 12,993	\$ 11,892	\$ 12,660
Contributions in relation to the contractually required contribution	<u>(15,975)</u>	<u>(12,993)</u>	<u>(11,892)</u>	<u>(12,660)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 159,750	\$ 129,930	\$ 118,920	\$ 126,600
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 821,006	\$ 874,838	\$ 747,045	\$ 761,408	\$ 722,717	\$ 707,907
<u>(821,006)</u>	<u>(874,838)</u>	<u>(747,045)</u>	<u>(761,408)</u>	<u>(722,717)</u>	<u>(707,907)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,864,329	\$ 5,779,421	\$ 5,746,500	\$ 6,345,067	\$ 6,022,642	\$ 5,899,225
14.00%	13.00%	12.00%	12.00%	12.00%	12.00%
\$ 24,514	\$ 25,921	\$ 22,470	\$ 21,153	\$ 19,077	\$ 18,412
<u>(24,514)</u>	<u>(25,921)</u>	<u>(22,470)</u>	<u>(21,153)</u>	<u>(19,077)</u>	<u>(18,412)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 175,100	\$ 171,243	\$ 172,846	\$ 176,275	\$ 158,975	\$ 153,433
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$ 15,564	\$ 15,826	\$ 16,470	\$ 21,391	\$ 28,889	
<u>(15,564)</u>	<u>(15,826)</u>	<u>(16,470)</u>	<u>(21,391)</u>	<u>(28,889)</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 155,640	\$ 146,370	\$ 164,700	\$ 178,258	\$ 240,742	
10.00%	10.00%	10.00%	12.00%	12.00%	

**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

	LAST TEN YEARS			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Police:</i>				
Contractually required contribution	\$ 590,176	\$ 521,261	\$ 516,525	\$ 491,779
Contributions in relation to the contractually required contribution	<u>(590,176)</u>	<u>(521,261)</u>	<u>(516,525)</u>	<u>(491,779)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,106,189	\$ 2,743,479	\$ 2,718,553	\$ 2,588,311
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 512,115	\$ 516,173	\$ 481,015	\$ 450,867
Contributions in relation to the contractually required contribution	<u>(512,115)</u>	<u>(516,173)</u>	<u>(481,015)</u>	<u>(450,867)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,179,213	\$ 2,196,481	\$ 2,046,872	\$ 1,918,583
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

Note: although the OP&F Pension Fund is a single pension plan, the City has elected to present contributions information for Police and Fire separately.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 504,789	\$ 509,379	\$ 439,734	\$ 524,512	\$ 475,279	\$ 497,799
<u>(504,789)</u>	<u>(509,379)</u>	<u>(439,734)</u>	<u>(524,512)</u>	<u>(475,279)</u>	<u>(497,799)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,656,784	\$ 2,680,942	\$ 2,314,389	\$ 2,760,589	\$ 2,501,468	\$ 2,619,995
19.00%	19.00%	19.00%	19.00%	19.00%	19.00%
\$ 452,373	\$ 450,692	\$ 418,044	\$ 421,091	\$ 407,053	\$ 404,644
<u>(452,373)</u>	<u>(450,692)</u>	<u>(418,044)</u>	<u>(421,091)</u>	<u>(407,053)</u>	<u>(404,644)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,924,991	\$ 1,917,838	\$ 1,778,911	\$ 1,791,877	\$ 1,732,140	\$ 1,721,889
23.50%	23.50%	23.50%	23.50%	23.50%	23.50%



**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/NET OPEB ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST SEVEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net OPEB liability/asset	0.042958%	0.043638%	0.043867%	0.044318%
City's proportionate share of the net OPEB liability/(asset)	\$ 250,133	\$ (1,256,433)	\$ (719,294)	\$ 5,650,109
City's covered payroll	\$ 6,565,102	\$ 6,262,991	\$ 6,057,672	\$ 6,195,069
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	3.81%	20.06%	11.87%	91.20%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	94.79%	128.23%	115.57%	47.80%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<b>2019</b>	<b>2018</b>	<b>2017</b>
0.045453%	0.044930%	0.048448%
\$ 5,478,770	\$ 4,879,067	\$ 4,893,407
\$ 6,097,034	\$ 6,084,046	\$ 6,699,600
89.86%	80.19%	73.04%
46.33%	54.14%	54.05%

**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST SEVEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net OPEB liability	0.18030890%	0.18490720%	0.18272350%	0.18989990%
City's proportionate share of the net OPEB liability	\$ 1,283,747	\$ 2,026,742	\$ 1,935,985	\$ 1,875,780
City's covered payroll	\$ 4,939,960	\$ 4,765,425	\$ 4,506,894	\$ 4,581,775
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	25.99%	42.53%	42.96%	40.94%
Plan fiduciary net position as a percentage of the total OPEB liability	52.59%	46.86%	45.42%	47.08%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.20053100%	0.19721500%	0.20455100%
\$ 1,826,142	\$ 11,173,943	\$ 9,709,576
\$ 4,598,780	\$ 4,093,300	\$ 4,552,466
39.71%	272.98%	213.28%
46.57%	14.13%	15.96%

**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 8,613	\$ 5,198	\$ 4,757	\$ 5,064
Contributions in relation to the contractually required contribution	<u>(8,613)</u>	<u>(5,198)</u>	<u>(4,757)</u>	<u>(5,064)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 7,655,676	\$ 6,565,102	\$ 6,262,991	\$ 6,057,672
Contributions as a percentage of covered payroll	0.11%	0.08%	0.08%	0.08%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 6,225	\$ 6,331	\$ 65,781	\$ 140,558	\$ 123,632	\$ 120,949
<u>(6,225)</u>	<u>(6,331)</u>	<u>(65,781)</u>	<u>(140,558)</u>	<u>(123,632)</u>	<u>(120,949)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,195,069	\$ 6,097,034	\$ 6,084,046	\$ 6,699,600	\$ 6,422,359	\$ 6,052,658
0.10%	0.10%	1.08%	2.10%	1.93%	2.00%

**CITY OF ALLIANCE, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Police:</i>				
Contractually required contribution	\$ 15,531	\$ 13,717	\$ 13,593	\$ 12,942
Contributions in relation to the contractually required contribution	<u>(15,531)</u>	<u>(13,717)</u>	<u>(13,593)</u>	<u>(12,942)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,106,189	\$ 2,743,479	\$ 2,718,553	\$ 2,588,311
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 10,896	\$ 10,982	\$ 10,234	\$ 9,593
Contributions in relation to the contractually required contribution	<u>(10,896)</u>	<u>(10,982)</u>	<u>(10,234)</u>	<u>(9,593)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,179,213	\$ 2,196,481	\$ 2,046,872	\$ 1,918,583
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Note: although the OP&F Pension Fund is a single pension plan, the City has elected to present contributions information for Police and Fire separately.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 13,284	\$ 13,405	\$ 11,572	\$ 14,176	\$ 12,845	\$ 13,036
<u>(13,284)</u>	<u>(13,405)</u>	<u>(11,572)</u>	<u>(14,176)</u>	<u>(12,845)</u>	<u>(13,036)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,656,784	\$ 2,680,942	\$ 2,314,389	\$ 2,760,589	\$ 2,501,468	\$ 2,619,995
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
\$ 9,625	\$ 9,589	\$ 8,895	\$ 8,959	\$ 8,661	\$ 8,564
<u>(9,625)</u>	<u>(9,589)</u>	<u>(8,895)</u>	<u>(8,959)</u>	<u>(8,661)</u>	<u>(8,564)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,924,991	\$ 1,917,838	\$ 1,778,911	\$ 1,791,877	\$ 1,732,140	\$ 1,721,889
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%



CITY OF ALLIANCE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023

PENSION

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed from 0.50%, simple through 2021, then 2.15% simple to 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- There were no changes in assumptions for 2023.

(Continued)

CITY OF ALLIANCE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

PENSION

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*OHIO POLICE AND FIRE (OP&F) PENSION FUND*

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

(Continued)

CITY OF ALLIANCE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

(Continued)

**CITY OF ALLIANCE, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*OHIO POLICE AND FIRE (OP&F) PENSION FUND*

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50% and (b) the discount rate was changed from 2.96% to 2.84%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

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COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**CITY OF ALLIANCE, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2023**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 6,211,250	\$ 43,850	\$ 4,599,882	\$ 10,854,982
Receivables (net of allowances for uncollectibles):				
Municipal income taxes	-	-	518,200	518,200
Property and other taxes	1,168,696	-	-	1,168,696
Accounts	51,655	-	1,353	53,008
Intergovernmental	626,644	-	63,430	690,074
Special assessments	-	-	28,397	28,397
Loans	326,070	-	-	326,070
Prepayments	38,781	-	-	38,781
Materials and supplies inventory	99,530	-	-	99,530
Total assets	<u>\$ 8,522,626</u>	<u>\$ 43,850</u>	<u>\$ 5,211,262</u>	<u>\$ 13,777,738</u>
<b>Liabilities:</b>				
Accounts payable	\$ 83,255	\$ -	\$ 260	\$ 83,515
Contracts payable	-	-	29,017	29,017
Accrued wages and benefits payable	37,856	-	-	37,856
Interfund loans payable	49,150	-	3,353	52,503
Due to other funds	161,570	-	-	161,570
Due to other governments	128,743	-	-	128,743
Advances to other funds	5,626	-	-	5,626
Total liabilities	<u>466,200</u>	<u>-</u>	<u>32,630</u>	<u>498,830</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	1,044,055	-	-	1,044,055
Income tax revenue not available	-	-	300,026	300,026
Delinquent property tax revenue not available	124,641	-	-	124,641
Special assessments revenue not available	-	-	28,397	28,397
Intergovernmental revenue not available	430,500	-	63,430	493,930
Total deferred inflows of resources	<u>1,599,196</u>	<u>-</u>	<u>391,853</u>	<u>1,991,049</u>
Total liabilities and deferred inflows of resources	<u>2,065,396</u>	<u>-</u>	<u>424,483</u>	<u>2,489,879</u>
<b>Fund balances:</b>				
Nonspendable	138,311	-	-	138,311
Restricted	6,613,947	43,850	108,188	6,765,985
Committed	14,266	-	4,678,591	4,692,857
Unassigned (deficit)	(309,294)	-	-	(309,294)
Total fund balances	<u>6,457,230</u>	<u>43,850</u>	<u>4,786,779</u>	<u>11,287,859</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,522,626</u>	<u>\$ 43,850</u>	<u>\$ 5,211,262</u>	<u>\$ 13,777,738</u>

**CITY OF ALLIANCE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Municipal income taxes	\$ -	\$ -	\$ 2,218,256	\$ 2,218,256
Property and other taxes	1,247,620	-	-	1,247,620
Charges for services	148,661	-	-	148,661
Licenses, permits and fees	33,018	-	20,791	53,809
Fines and forfeitures	162,666	-	-	162,666
Intergovernmental	1,984,912	-	1,153,191	3,138,103
Investment income	177,580	-	-	177,580
Other	123,680	-	199,418	323,098
<b>Total revenues</b>	<b>3,878,137</b>	<b>-</b>	<b>3,591,656</b>	<b>7,469,793</b>
<b>Expenditures:</b>				
Current:				
General government	189,584	-	-	189,584
Security of persons and property	1,374,735	-	-	1,374,735
Public health and welfare	179,399	-	-	179,399
Transportation	1,162,052	-	-	1,162,052
Community environment	894,330	-	-	894,330
Leisure time activities	928,833	-	-	928,833
Capital outlay	-	-	1,804,102	1,804,102
Debt service:				
Principal retirement	15,801	-	38,332	54,133
Interest and fiscal charges	9,845	-	558	10,403
<b>Total expenditures</b>	<b>4,754,579</b>	<b>-</b>	<b>1,842,992</b>	<b>6,597,571</b>
Excess (deficiency) of revenues over (under) expenditures	(876,442)	-	1,748,664	872,222
<b>Other financing sources (uses):</b>				
Transfers in	1,229,991	-	-	1,229,991
Transfers (out)	(216,129)	-	-	(216,129)
<b>Total other financing sources (uses)</b>	<b>1,013,862</b>	<b>-</b>	<b>-</b>	<b>1,013,862</b>
Net change in fund balances	137,420	-	1,748,664	1,886,084
<b>Fund balances at beginning of year</b>	<b>6,319,810</b>	<b>43,850</b>	<b>3,038,115</b>	<b>9,401,775</b>
<b>Fund balances at end of year</b>	<b>\$ 6,457,230</b>	<b>\$ 43,850</b>	<b>\$ 4,786,779</b>	<b>\$ 11,287,859</b>



**CITY OF ALLIANCE, OHIO**

**FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds**

Special revenue funds are established to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

***Street Repair and Maintenance Fund***

This fund accounts for 92.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

***State Highway Fund***

This fund accounts for 7.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

***Law Enforcement Block Grant Fund***

This fund accounts for monies received from fines related to drug cases. Expenditures are used for the education of the community.

***Motor Vehicle License Fund***

This fund accounts for the City's share of the motor vehicle license tax levied by the City.

***Municipal Court Computerization Fund***

This fund accounts for court fees and fines used for the purchase and maintenance of computers for the municipal court.

***Health Fund***

This fund accounts for monies received from State and Federal grant funds used for various health education, prevention and treatment programs in the City.

***Litter Control Fund***

This fund accounts for monies received from the State to be used for litter prevention in the City.

***State Misdemeanant Grant Fund***

This fund accounts for monies received for payment of the Misdemeanant Community Sanctions Coordinator Project Program. Sanction Coordinators work one on one with individuals to fulfill their obligation to the court.

***Cemetery Fund***

This fund accounts for monies received from the sale of cemetery lots, burial permits, and general funds for burial services and upkeep of the City Cemetery.

***HUD Grant Fund***

This fund accounts for Federal grant monies received directly from the U.S. Department of Housing and Urban Development through its Community Development Block Grants/Entitlement Grants program.

***Revolving Loan Fund***

This fund accounts for intergovernmental grants and principal and interest received from previous revolving loans intended to spur economic development in the City.

***Community Development Block Grant (CDBG) Housing Rehab Loan Fund***

This fund accounts for intergovernmental grants and principal and interest received from previous housing rehabilitation project loans within the City.

***Fire Pension Fund***

This fund accounts for property taxes collected to pay for a portion of the employer's share of fire pension benefits.

(continued)

**CITY OF ALLIANCE, OHIO**

**FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds - continued**

***Police Pension Fund***

This fund accounts for property taxes collected to pay for a portion of the employer's share of police pension benefits.

***Park Levy Fund***

This fund accounts for proceeds of a voted 5 year property tax levy to be used for the expenses of the parks and recreation department.

***FEMA Fund***

This fund accounts for grants from the Federal Emergency Management Agency (FEMA): Staffing for Adequate Fire and Emergency Response (SAFER) Grant and Fire Prevention and Safety (FP&S) Grant. This fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

***Carnation Cable Channel Fund***

This fund accounts for monies received from cable franchise fees prescribed by City Ordinance for local cable access.

***Other***

Smaller Special Revenue Funds maintained by the City. These funds are as follows:

- L.E. Professional Training Fund*
- Byrne Justice Assistance Grant Fund*
- Federal Equitable Sharing Fund*
- Indigent Driver Interlock and Alcohol Monitoring Fund*
- Indigent Driver Alcohol Treatment Fund*
- Enforcement and Education Fund*
- Municipal Court Legal Research Fund*
- E-Cite Fund*
- Alliance Area Senior Citizens Fund*
- Home Administration Fund*
- Tax Incentive Review Fund*
- Land Use Study Fund*
- Court ADR Fund*
- Court Security Grant Fund*
- Municipal Court Security Fund*
- Court Immobilization Fund*
- OneOhio Grant Fund*
- Parking Lot Maintenance Fund*
- Land Reutilization Fund*
- Park Resources Fund*

**Funds Included in the General Fund**

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

***City Income Tax Fund***

This fund accounts for the City's income tax collections and related expenditures.

***Gasoline Revolving Fund***

This fund accounts for the City's diesel fuel tanks and related expenditures.

***Supply Revolving Fund***

This fund accounts for services provided related to repairs and maintenance.

***Auditor Transfer Fund***

This fund accounts for unclaimed funds, fire loss deposits, property foreclosure deposits, and contributions.

**CITY OF ALLIANCE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2023

	<u>Street Repair and Maintenance</u>	<u>State Highway</u>	<u>Law Enforcement Block Grant</u>	<u>Motor Vehicle License</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 881,852	\$ 233,644	\$ 40,700	\$ 105,245
Receivables (net of allowances for uncollectibles):				
Property and other taxes	-	-	-	-
Accounts	1,490	-	-	7,011
Intergovernmental	522,971	42,403	-	-
Loans	-	-	-	-
Prepayments	11,609	-	-	7,618
Materials and supplies inventory	99,530	-	-	-
Total assets	<u>\$ 1,517,452</u>	<u>\$ 276,047</u>	<u>\$ 40,700</u>	<u>\$ 119,874</u>
<b>Liabilities:</b>				
Accounts payable	\$ 2,040	\$ -	\$ 644	\$ 30,455
Accrued wages and benefits payable	20,160	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	7,503	-	-	-
Advances to other funds	-	-	-	-
Total liabilities	<u>29,703</u>	<u>-</u>	<u>644</u>	<u>30,455</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	346,034	28,057	-	-
Total deferred inflows of resources	<u>346,034</u>	<u>28,057</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>375,737</u>	<u>28,057</u>	<u>644</u>	<u>30,455</u>
<b>Fund balances:</b>				
Nonspendable	111,139	-	-	7,618
Restricted	1,030,576	247,990	40,056	81,801
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>1,141,715</u>	<u>247,990</u>	<u>40,056</u>	<u>89,419</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,517,452</u>	<u>\$ 276,047</u>	<u>\$ 40,700</u>	<u>\$ 119,874</u>

<b>Municipal Court Computerization</b>	<b>Health</b>	<b>Litter Control</b>	<b>State Misdemeanant Grant</b>	<b>Cemetery</b>	<b>HUD Grant</b>
\$ 97,897	\$ 4,423	\$ 8,618	\$ 10,568	\$ 900,707	\$ -
-	-	-	-	-	-
5,558	-	-	-	-	32,437
-	-	3,384	-	-	-
-	-	-	-	-	-
-	-	737	-	2,322	2,353
-	-	-	-	-	-
<u>\$ 103,455</u>	<u>\$ 4,423</u>	<u>\$ 12,739</u>	<u>\$ 10,568</u>	<u>\$ 903,029</u>	<u>\$ 34,790</u>
\$ 1,790	\$ -	\$ -	\$ -	\$ 1,169	\$ 39,844
-	-	253	-	1,469	3,743
-	-	11,000	-	-	-
-	-	-	-	-	161,570
-	-	110	-	1,574	8,258
-	-	-	-	-	-
<u>1,790</u>	<u>-</u>	<u>11,363</u>	<u>-</u>	<u>4,212</u>	<u>213,415</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,790</u>	<u>-</u>	<u>11,363</u>	<u>-</u>	<u>4,212</u>	<u>213,415</u>
-	-	737	-	2,322	2,353
101,665	4,423	639	10,568	896,495	-
-	-	-	-	-	-
-	-	-	-	-	(180,978)
<u>101,665</u>	<u>4,423</u>	<u>1,376</u>	<u>10,568</u>	<u>898,817</u>	<u>(178,625)</u>
<u>\$ 103,455</u>	<u>\$ 4,423</u>	<u>\$ 12,739</u>	<u>\$ 10,568</u>	<u>\$ 903,029</u>	<u>\$ 34,790</u>

Continued

**CITY OF ALLIANCE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2023

	<u>Revolving Loan</u>	<u>Community Development Block Grant</u>	<u>Fire Pension</u>	<u>Police Pension</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 3,086,056	\$ 41,584	\$ 10,000	\$ 10,000
Receivables (net of allowances for uncollectibles):				
Property and other taxes	-	-	105,635	105,635
Accounts	-	-	-	-
Intergovernmental	-	-	4,314	4,314
Loans	326,070	-	-	-
Prepayments	379	-	-	-
Materials and supplies inventory	-	-	-	-
Total assets	<u>\$ 3,412,505</u>	<u>\$ 41,584</u>	<u>\$ 119,949</u>	<u>\$ 119,949</u>
<b>Liabilities:</b>				
Accounts payable	\$ 570	\$ -	\$ -	\$ -
Accrued wages and benefits payable	455	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	282	-	44,367	60,287
Advances to other funds	-	-	-	-
Total liabilities	<u>1,307</u>	<u>-</u>	<u>44,367</u>	<u>60,287</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	-	105,635	105,635
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	4,314	4,314
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>109,949</u>	<u>109,949</u>
Total liabilities and deferred inflows of resources	<u>1,307</u>	<u>-</u>	<u>154,316</u>	<u>170,236</u>
<b>Fund balances:</b>				
Nonspendable	379	-	-	-
Restricted	3,410,819	41,584	-	-
Committed	-	-	-	-
Unassigned (deficit)	-	-	(34,367)	(50,287)
Total fund balances (deficit)	<u>3,411,198</u>	<u>41,584</u>	<u>(34,367)</u>	<u>(50,287)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,412,505</u>	<u>\$ 41,584</u>	<u>\$ 119,949</u>	<u>\$ 119,949</u>

<b>Park Levy</b>	<b>FEMA</b>	<b>Carnation Cable Channel</b>	<b>Other</b>	<b>Total</b>
\$ 24,456	\$ -	\$ -	\$ 755,500	\$ 6,211,250
957,426	-	-	-	1,168,696
-	-	538	4,621	51,655
34,005	-	-	15,253	626,644
-	-	-	-	326,070
11,127	-	-	2,636	38,781
-	-	-	-	99,530
<u>\$ 1,027,014</u>	<u>\$ -</u>	<u>\$ 538</u>	<u>\$ 778,010</u>	<u>\$ 8,522,626</u>
\$ 4,670	\$ -	\$ -	\$ 2,073	\$ 83,255
9,935	-	-	1,841	37,856
-	30,000	-	8,150	49,150
-	-	-	-	161,570
5,957	-	-	405	128,743
-	-	-	5,626	5,626
<u>20,562</u>	<u>30,000</u>	<u>-</u>	<u>18,095</u>	<u>466,200</u>
832,785	-	-	-	1,044,055
124,641	-	-	-	124,641
34,005	-	-	13,776	430,500
<u>991,431</u>	<u>-</u>	<u>-</u>	<u>13,776</u>	<u>1,599,196</u>
<u>1,011,993</u>	<u>30,000</u>	<u>-</u>	<u>31,871</u>	<u>2,065,396</u>
11,127	-	-	2,636	138,311
3,894	-	-	743,437	6,613,947
-	-	538	13,728	14,266
-	(30,000)	-	(13,662)	(309,294)
<u>15,021</u>	<u>(30,000)</u>	<u>538</u>	<u>746,139</u>	<u>6,457,230</u>
<u>\$ 1,027,014</u>	<u>\$ -</u>	<u>\$ 538</u>	<u>\$ 778,010</u>	<u>\$ 8,522,626</u>

**CITY OF ALLIANCE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Street Repair and Maintenance</u>	<u>State Highway</u>	<u>Law Enforcement Block Grant</u>	<u>Motor Vehicle License</u>
<b>Revenues:</b>				
Property and other taxes	\$ -	\$ -	\$ -	\$ 183,515
Charges for services	-	-	-	-
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	38,584	-
Intergovernmental	1,098,428	89,062	-	53,017
Investment income	28,784	6,593	1,578	227
Other	7,985	-	-	-
Total revenues	<u>1,135,197</u>	<u>95,655</u>	<u>40,162</u>	<u>236,759</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Security of persons and property	71,133	-	60,932	-
Public health and welfare	-	-	-	-
Transportation	916,618	7,625	-	237,809
Community environment	-	-	-	-
Leisure time activities	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>987,751</u>	<u>7,625</u>	<u>60,932</u>	<u>237,809</u>
Excess (deficiency) of revenues over (under) expenditures	<u>147,446</u>	<u>88,030</u>	<u>(20,770)</u>	<u>(1,050)</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	147,446	88,030	(20,770)	(1,050)
<b>Fund balances (deficit) at beginning of year</b>	994,269	159,960	60,826	90,469
<b>Fund balances (deficit) at end of year</b>	<u>\$ 1,141,715</u>	<u>\$ 247,990</u>	<u>\$ 40,056</u>	<u>\$ 89,419</u>

<b>Municipal Court Computerization</b>	<b>Health</b>	<b>Litter Control</b>	<b>State Misdemeanant Grant</b>	<b>Cemetery</b>	<b>HUD Grant</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	33,018	-
54,830	-	-	-	-	-
-	-	13,535	-	-	537,151
-	-	-	-	28,859	-
-	-	22	-	23,876	-
<u>54,830</u>	<u>-</u>	<u>13,557</u>	<u>-</u>	<u>85,753</u>	<u>537,151</u>
68,312	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	179,399	-
-	-	-	-	-	-
-	-	19,966	-	-	621,750
-	-	-	-	-	-
-	-	-	-	-	-
<u>68,312</u>	<u>-</u>	<u>19,966</u>	<u>-</u>	<u>179,399</u>	<u>621,750</u>
<u>(13,482)</u>	<u>-</u>	<u>(6,409)</u>	<u>-</u>	<u>(93,646)</u>	<u>(84,599)</u>
-	-	-	-	125,000	-
-	-	-	-	-	-
-	-	-	-	125,000	-
(13,482)	-	(6,409)	-	31,354	(84,599)
115,147	4,423	7,785	10,568	867,463	(94,026)
<u>\$ 101,665</u>	<u>\$ 4,423</u>	<u>\$ 1,376</u>	<u>\$ 10,568</u>	<u>\$ 898,817</u>	<u>\$ (178,625)</u>

Continued



**CITY OF ALLIANCE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Revolving Loan</u>	<u>Community Development Block Grant</u>	<u>Fire Pension</u>	<u>Police Pension</u>
<b>Revenues:</b>				
Property and other taxes	\$ -	\$ -	\$ 100,757	\$ 100,757
Charges for services	-	-	-	-
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	147,429	-	11,157	11,157
Investment income	108,644	1,356	-	-
Other	926	-	-	-
Total revenues	<u>256,999</u>	<u>1,356</u>	<u>111,914</u>	<u>111,914</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	511,038	596,996
Public health and welfare	-	-	-	-
Transportation	-	-	-	-
Community environment	252,614	-	-	-
Leisure time activities	-	-	-	-
Debt service:				
Principal retirement	-	-	8,214	6,258
Interest and fiscal charges	-	-	5,490	4,183
Total expenditures	<u>252,614</u>	<u>-</u>	<u>524,742</u>	<u>607,437</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,385</u>	<u>1,356</u>	<u>(412,828)</u>	<u>(495,523)</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	410,532	478,330
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>410,532</u>	<u>478,330</u>
Net change in fund balances	4,385	1,356	(2,296)	(17,193)
<b>Fund balances (deficit) at beginning of year</b>	3,406,813	40,228	(32,071)	(33,094)
<b>Fund balances (deficit) at end of year</b>	<u>\$ 3,411,198</u>	<u>\$ 41,584</u>	<u>\$ (34,367)</u>	<u>\$ (50,287)</u>

<b>Park Levy</b>	<b>FEMA</b>	<b>Carnation Cable Channel</b>	<b>Other</b>	<b>Total</b>
\$ 862,591	\$ -	\$ -	\$ -	\$ 1,247,620
-	-	-	148,661	148,661
-	-	-	-	33,018
-	-	-	69,252	162,666
23,976	-	-	-	1,984,912
-	-	-	1,539	177,580
94	-	61,151	29,626	123,680
<u>886,661</u>	<u>-</u>	<u>61,151</u>	<u>249,078</u>	<u>3,878,137</u>
-	-	81,265	40,007	189,584
-	-	-	134,636	1,374,735
-	-	-	-	179,399
-	-	-	-	1,162,052
-	-	-	-	894,330
928,833	-	-	-	928,833
1,329	-	-	-	15,801
172	-	-	-	9,845
<u>930,334</u>	<u>-</u>	<u>81,265</u>	<u>174,643</u>	<u>4,754,579</u>
<u>(43,673)</u>	<u>-</u>	<u>(20,114)</u>	<u>74,435</u>	<u>(876,442)</u>
-	-	-	216,129	1,229,991
-	-	-	(216,129)	(216,129)
-	-	-	-	1,013,862
(43,673)	-	(20,114)	74,435	137,420
58,694	(30,000)	20,652	671,704	\$ 6,319,810
<u>\$ 15,021</u>	<u>\$ (30,000)</u>	<u>\$ 538</u>	<u>\$ 746,139</u>	<u>\$ 6,457,230</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET REPAIR AND MAINTENANCE FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 1,073,000	\$ 1,095,670	\$ 22,670
Investment income	8,000	28,784	20,784
Other	8,000	6,495	(1,505)
<b>Total revenues</b>	<u>1,089,000</u>	<u>1,130,949</u>	<u>41,949</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Street security:			
Salaries and wages	45,500	40,562	4,938
Fringe benefits	15,964	14,181	1,783
Contractual services	19,000	16,830	2,170
<b>Total security of persons and property</b>	<u>80,464</u>	<u>71,573</u>	<u>8,891</u>
Transportation:			
Street transportation:			
Salaries and wages	660,000	577,089	82,911
Fringe benefits	308,860	251,547	57,313
Contractual services	10,454	7,698	2,756
Materials and supplies	78,584	67,053	11,531
Capital outlay	250,000	139,075	110,925
<b>Total transportation</b>	<u>1,307,898</u>	<u>1,042,462</u>	<u>265,436</u>
<b>Total expenditures</b>	<u>1,388,362</u>	<u>1,114,035</u>	<u>274,327</u>
Net change in fund balance	(299,362)	16,914	316,276
<b>Fund balance at beginning of year</b>	605,114	605,114	-
<b>Prior year encumbrances appropriated</b>	250,738	250,738	-
<b>Fund balance at end of year</b>	<u>\$ 556,490</u>	<u>\$ 872,766</u>	<u>\$ 316,276</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**STATE HIGHWAY FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 88,000	\$ 88,838	\$ 838
Investment income	900	6,593	5,693
Total revenues	<u>88,900</u>	<u>95,431</u>	<u>6,531</u>
<b>Expenditures:</b>			
Current:			
Transportation:			
Capital outlay	102,000	7,714	94,286
Total expenditures	<u>102,000</u>	<u>7,714</u>	<u>94,286</u>
Net change in fund balance	(13,100)	87,717	100,817
<b>Fund balance at beginning of year</b>	143,927	143,927	-
<b>Prior year encumbrances appropriated</b>	2,000	2,000	-
<b>Fund balance at end of year</b>	<u>\$ 132,827</u>	<u>\$ 233,644</u>	<u>\$ 100,817</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAW ENFORCEMENT BLOCK GRANT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 32,000	\$ 38,584	\$ 6,584
Investment income	800	1,578	778
Total revenues	<u>32,800</u>	<u>40,162</u>	<u>7,362</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Police:			
Materials and supplies	17,757	16,361	1,396
Capital outlay	51,000	50,110	890
Total expenditures	<u>68,757</u>	<u>66,471</u>	<u>2,286</u>
Net change in fund balance	(35,957)	(26,309)	9,648
<b>Fund balance at beginning of year</b>	9,394	9,394	-
<b>Prior year encumbrances appropriated</b>	54,757	54,757	-
<b>Fund balance at end of year</b>	<u>\$ 28,194</u>	<u>\$ 37,842</u>	<u>\$ 9,648</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MOTOR VEHICLE LICENSE FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 235,000	\$ 229,748	\$ (5,252)
Total revenues	<u>235,000</u>	<u>229,748</u>	<u>(5,252)</u>
<b>Expenditures:</b>			
Current:			
Transportation:			
Street maintenance:			
Contractual services	138,205	143,781	(5,576)
Capital outlay	125,000	103,243	21,757
Total expenditures	<u>263,205</u>	<u>247,024</u>	<u>16,181</u>
Net change in fund balance	(28,205)	(17,276)	10,929
<b>Fund balance at beginning of year</b>	66,316	66,316	-
<b>Prior year encumbrances appropriated</b>	6,205	6,205	-
<b>Fund balance at end of year</b>	<u>\$ 44,316</u>	<u>\$ 55,245</u>	<u>\$ 10,929</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MUNICIPAL COURT COMPUTERIZATION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 54,000	\$ 54,496	\$ 496
Total revenues	<u>54,000</u>	<u>54,496</u>	<u>496</u>
<b>Expenditures:</b>			
Current:			
General government:			
Clerk of courts:			
Contractual services	62,000	57,205	4,795
Materials and supplies	21,355	13,901	7,454
Capital outlay	15,000	14,427	573
Total expenditures	<u>98,355</u>	<u>85,533</u>	<u>12,822</u>
Net change in fund balance	(44,355)	(31,037)	13,318
<b>Fund balance at beginning of year</b>	110,023	110,023	-
<b>Prior year encumbrances appropriated</b>	355	355	-
<b>Fund balance at end of year</b>	<u>\$ 66,023</u>	<u>\$ 79,341</u>	<u>\$ 13,318</u>

**CITY OF ALLIANCE, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**HEALTH FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	<u>4,423</u>	<u>4,423</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 4,423</u>	<u>\$ 4,423</u>	<u>\$ -</u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**LITTER CONTROL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 17,000	\$ 16,585	\$ (415)
Other	-	22	22
Total revenues	<u>17,000</u>	<u>16,607</u>	<u>(393)</u>
<b>Expenditures:</b>			
Current:			
Community environment:			
Litter control:			
Salaries and wages	20,446	16,095	4,351
Fringe benefits	4,659	3,884	775
Materials and supplies	1,208	1,208	-
Total expenditures	<u>26,313</u>	<u>21,187</u>	<u>5,126</u>
Net change in fund balance	(9,313)	(4,580)	4,733
<b>Fund balance at beginning of year</b>	13,198	13,198	-
<b>Fund balance at end of year</b>	<u>\$ 3,885</u>	<u>\$ 8,618</u>	<u>\$ 4,733</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STATE MISDEMEANANT GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 10,568	\$ 10,568	\$ -
<b>Fund balance at end of year</b>	<u>\$ 10,568</u>	<u>\$ 10,568</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**CEMETERY FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Licenses and permits	\$ 36,000	\$ 33,018	\$ (2,982)
Investment income	9,000	28,859	19,859
Other	33,300	23,876	(9,424)
<b>Total revenues</b>	<u>78,300</u>	<u>85,753</u>	<u>7,453</u>
<b>Expenditures:</b>			
Current:			
Public health services:			
Cemetery:			
Salaries and wages	126,968	122,625	4,343
Fringe benefits	36,126	35,535	591
Contractual services	23,712	14,720	8,992
Materials and supplies	8,900	6,935	1,965
Other	600	-	600
<b>Total expenditures</b>	<u>196,306</u>	<u>179,815</u>	<u>16,491</u>
Excess of expenditures over revenues	<u>(118,006)</u>	<u>(94,062)</u>	<u>23,944</u>
<b>Other financing sources:</b>			
Transfers in	105,600	125,000	19,400
<b>Total other financing sources</b>	<u>105,600</u>	<u>125,000</u>	<u>19,400</u>
Net change in fund balance	(12,406)	30,938	43,344
<b>Fund balance at beginning of year</b>	869,457	869,457	-
<b>Prior year encumbrances appropriated</b>	312	312	-
<b>Fund balance at end of year</b>	<u>\$ 857,363</u>	<u>\$ 900,707</u>	<u>\$ 43,344</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**HUD GRANT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 824,000	\$ 504,714	\$ (319,286)
Total revenues	<u>824,000</u>	<u>504,714</u>	<u>(319,286)</u>
<b>Expenditures:</b>			
Current:			
Community environment:			
HUD:			
Salaries and wages	143,400	143,399	1
Fringe benefits	54,125	52,612	1,513
Contractual services	302,917	254,895	48,022
Materials and supplies	17,800	6,809	10,991
Capital outlay	115,012	89,002	26,010
Other	164,100	129,963	34,137
Total expenditures	<u>797,354</u>	<u>676,680</u>	<u>120,674</u>
Net change in fund balance	26,646	(171,966)	(198,612)
<b>Fund balance (deficit) at beginning of year</b>	(41,718)	(41,718)	-
<b>Prior year encumbrances appropriated</b>	15,077	15,077	-
<b>Fund balance (deficit) at end of year</b>	<u>\$ 5</u>	<u>\$ (198,607)</u>	<u>\$ (198,612)</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**REVOLVING LOAN FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 131,639	\$ 147,429	\$ 15,790
Investment income	11,000	108,644	97,644
Other	113,000	83,717	(29,283)
Total revenues	<u>255,639</u>	<u>339,790</u>	<u>84,151</u>
<b>Expenditures:</b>			
Current:			
Community environment:			
UDAG:			
Salaries and wages	22,000	20,589	1,411
Fringe benefits	6,279	5,982	297
Contractual services	565,000	205,720	359,280
Capital outlay	2,001,406	33,404	1,968,002
Total expenditures	<u>2,594,685</u>	<u>265,695</u>	<u>2,328,990</u>
Net change in fund balance	(2,339,046)	74,095	2,413,141
<b>Fund balance at beginning of year</b>	2,996,755	2,996,755	-
<b>Prior year encumbrances appropriated</b>	1,406	1,406	-
<b>Fund balance at end of year</b>	<u>\$ 659,115</u>	<u>\$ 3,072,256</u>	<u>\$ 2,413,141</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REHAB LOAN FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Investment income	\$ 400	\$ 1,356	\$ 956
Total revenues	<u>400</u>	<u>1,356</u>	<u>956</u>
<b>Expenditures:</b>			
Current:			
Community environment:			
CDBG:			
Capital outlay	39,815	-	39,815
Total expenditures	<u>39,815</u>	<u>-</u>	<u>39,815</u>
Net change in fund balance	(39,415)	1,356	40,771
<b>Fund balance at beginning of year</b>	40,228	40,228	-
<b>Fund balance at end of year</b>	<u>\$ 813</u>	<u>\$ 41,584</u>	<u>\$ 40,771</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**FIRE PENSION FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property and other taxes	\$ 101,000	\$ 100,757	\$ (243)
Intergovernmental	11,000	11,157	157
Total revenues	<u>112,000</u>	<u>111,914</u>	<u>(86)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Fire:			
Fringe benefits	520,716	520,716	-
Contractual services	1,900	1,730	170
Total expenditures	<u>522,616</u>	<u>522,446</u>	<u>170</u>
Excess of expenditures over revenues	<u>(410,616)</u>	<u>(410,532)</u>	<u>84</u>
<b>Other financing sources:</b>			
Transfers in	410,000	410,532	532
Total other financing sources	<u>410,000</u>	<u>410,532</u>	<u>532</u>
Net change in fund balance	(616)	-	616
<b>Fund balance at beginning of year</b>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 9,384</u>	<u>\$ 10,000</u>	<u>\$ 616</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**POLICE PENSION FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property and other taxes	\$ 101,000	\$ 100,757	\$ (243)
Intergovernmental	11,000	11,157	157
Total revenues	<u>112,000</u>	<u>111,914</u>	<u>(86)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Police:			
Fringe benefits	588,514	588,514	-
Contractual services	1,900	1,730	170
Total expenditures	<u>590,414</u>	<u>590,244</u>	<u>170</u>
Excess of expenditures over revenues	<u>(478,414)</u>	<u>(478,330)</u>	<u>84</u>
<b>Other financing sources:</b>			
Transfers in	478,330	478,330	-
Total other financing sources	<u>478,330</u>	<u>478,330</u>	<u>-</u>
Net change in fund balance	(84)	-	84
<b>Fund balance at beginning of year</b>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 9,916</u>	<u>\$ 10,000</u>	<u>\$ 84</u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**PARK LEVY FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property and other taxes	\$ 874,756	\$ 862,591	\$ (12,165)
Intergovernmental	26,000	23,976	(2,024)
Other	-	94	94
<b>Total revenues</b>	<u>900,756</u>	<u>886,661</u>	<u>(14,095)</u>
<b>Expenditures:</b>			
Current:			
Leisure time activities:			
Park Levy:			
Salaries and wages	535,471	526,383	9,088
Fringe benefits	168,729	163,115	5,614
Contractual services	117,215	103,605	13,610
Materials and supplies	63,380	56,231	7,149
Capital outlay	89,800	87,142	2,658
Other	200	-	200
<b>Total expenditures</b>	<u>974,795</u>	<u>936,476</u>	<u>38,319</u>
<b>Net change in fund balance</b>	<b>(74,039)</b>	<b>(49,815)</b>	<b>24,224</b>
<b>Fund balance at beginning of year</b>	71,195	71,195	-
<b>Prior year encumbrances appropriated</b>	2,845	2,845	-
<b>Fund balance at end of year</b>	<u>\$ 1</u>	<u>\$ 24,225</u>	<u>\$ 24,224</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CARNATION CABLE CHANNEL FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 93,000	\$ 81,265	\$ (11,735)
Total revenues	<u>93,000</u>	<u>81,265</u>	<u>(11,735)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Carnation Cable:			
Other	81,265	81,265	-
Total expenditures	<u>81,265</u>	<u>81,265</u>	<u>-</u>
Net change in fund balance	11,735	-	(11,735)
<b>Fund balance at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 11,735</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (11,735)</u></u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**L.E. PROFESSIONAL TRAINING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 160,000	\$ 148,661	\$ (11,339)
Total revenues	<u>160,000</u>	<u>148,661</u>	<u>(11,339)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Police:			
Salaries and wages	124,699	90,758	33,941
Fringe benefits	5,500	4,965	535
Contractual services	20,389	11,427	8,962
Materials and supplies	8,980	8,582	398
Total expenditures	<u>159,568</u>	<u>115,732</u>	<u>43,836</u>
Net change in fund balance	432	32,929	32,497
<b>Fund balance at beginning of year</b>	22,394	22,394	-
<b>Prior year encumbrances appropriated</b>	7,568	7,568	-
<b>Fund balance at end of year</b>	<u>\$ 30,394</u>	<u>\$ 62,891</u>	<u>\$ 32,497</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**BYRNE JUSTICE ASSISTANCE GRANT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Investment income	\$          30	\$          1	\$          (29)
Total revenues	<u>          30</u>	<u>          1</u>	<u>          (29)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Police:			
Capital outlay	<u>         13,776</u>	<u>         13,776</u>	<u>                  -</u>
Total expenditures	<u>         13,776</u>	<u>         13,776</u>	<u>                  -</u>
Excess of expenditures over revenues	<u>         (13,746)</u>	<u>         (13,775)</u>	<u>                 (29)</u>
<b>Other financing sources (uses):</b>			
Advances in	13,776	13,776	-
Advances out	<u>         (4,635)</u>	<u>         (4,635)</u>	<u>                  -</u>
Total other financing sources (uses)	<u>          9,141</u>	<u>          9,141</u>	<u>                  -</u>
Net change in fund balance	(4,605)	(4,634)	(29)
<b>Fund balance at beginning of year</b>	<u>          4,748</u>	<u>          4,748</u>	<u>                  -</u>
<b>Fund balance at end of year</b>	<u><u>          \$      143</u></u>	<u><u>          \$      114</u></u>	<u><u>          \$      (29)</u></u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEDERAL EQUITABLE SHARING FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Investment income	\$ 500	\$ 1,538	\$ 1,038
Total revenues	500	1,538	1,038
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Police:			
Materials and supplies	46,000	4,501	41,499
Total expenditures	46,000	4,501	41,499
Net change in fund balance	(45,500)	(2,963)	42,537
<b>Fund balance at beginning of year</b>	46,455	46,455	-
<b>Fund balance at end of year</b>	\$ 955	\$ 43,492	\$ 42,537

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INDIGENT DRIVERS INTERLOCK AND ALCOHOL MONITORING FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 11,000	\$ 12,435	\$ 1,435
Total revenues	<u>11,000</u>	<u>12,435</u>	<u>1,435</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
Police:			
Materials and supplies	230,000	-	230,000
Total expenditures	<u>230,000</u>	<u>-</u>	<u>230,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(219,000)</u>	<u>12,435</u>	<u>231,435</u>
<b>Other financing sources:</b>			
Transfers in	219,129	216,129	(3,000)
Total other financing sources	<u>219,129</u>	<u>216,129</u>	<u>(3,000)</u>
Net change in fund balance	129	228,564	228,435
<b>Fund balance at beginning of year</b>	12,515	12,515	-
<b>Fund balance at end of year</b>	<u>\$ 12,644</u>	<u>\$ 241,079</u>	<u>\$ 228,435</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INDIGENT DRIVER ALCOHOL TREATMENT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 11,000	\$ 8,081	\$ (2,919)
Total revenues	<u>11,000</u>	<u>8,081</u>	<u>(2,919)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Clerk of courts:			
Materials and supplies	85,000	10,000	75,000
Total expenditures	<u>85,000</u>	<u>10,000</u>	<u>75,000</u>
Deficiency of revenues under expenditures	<u>(74,000)</u>	<u>(1,919)</u>	<u>72,081</u>
<b>Other financing uses:</b>			
Transfers out	<u>(216,129)</u>	<u>(216,129)</u>	<u>-</u>
Total other financing uses	<u>(216,129)</u>	<u>(216,129)</u>	<u>-</u>
Net change in fund balance	(290,129)	(218,048)	72,081
<b>Fund balance at beginning of year</b>	302,375	302,375	-
<b>Fund balance at end of year</b>	<u>\$ 12,246</u>	<u>\$ 84,327</u>	<u>\$ 72,081</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ENFORCEMENT AND EDUCATION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 2,600	\$ 2,174	\$ (426)
Total revenues	<u>2,600</u>	<u>2,174</u>	<u>(426)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Clerk of courts:			
Materials and supplies	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Total expenditures	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Net change in fund balance	(1,400)	(1,826)	(426)
<b>Fund balance at beginning of year</b>	<u>11,019</u>	<u>11,019</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 9,619</u></u>	<u><u>\$ 9,193</u></u>	<u><u>\$ (426)</u></u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MUNICIPAL COURT LEGAL RESEARCH FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 14,750	\$ 14,376	\$ (374)
Total revenues	14,750	14,376	(374)
<b>Expenditures:</b>			
Current:			
General government:			
Municipal court:			
Materials and supplies	20,355	6,184	14,171
Capital outlay	25,000	2,000	23,000
Total expenditures	45,355	8,184	37,171
Net change in fund balance	(30,605)	6,192	36,797
<b>Fund balance at beginning of year</b>	58,063	58,063	-
<b>Prior year encumbrances appropriated</b>	355	355	-
<b>Fund balance at end of year</b>	\$ 27,813	\$ 64,610	\$ 36,797

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**E-CITE FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 2,300	\$ 2,022	\$ (278)
Total revenues	<u>2,300</u>	<u>2,022</u>	<u>(278)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Judge:			
Materials and supplies	3,500	1,984	1,516
Total expenditures	<u>3,500</u>	<u>1,984</u>	<u>1,516</u>
Net change in fund balance	(1,200)	38	1,238
<b>Fund balance at beginning of year</b>	<u>15,560</u>	<u>15,560</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 14,360</u></u>	<u><u>\$ 15,598</u></u>	<u><u>\$ 1,238</u></u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ALLIANCE AREA SENIOR CITIZENS FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 4,000	\$ 5,500	\$ 1,500
Total revenues	<u>4,000</u>	<u>5,500</u>	<u>1,500</u>
<b>Expenditures:</b>			
Current:			
General government:			
Senior center:			
Salaries and wages	3,552	3,311	241
Fringe benefits	<u>1,718</u>	<u>1,717</u>	<u>1</u>
Total expenditures	<u>5,270</u>	<u>5,028</u>	<u>242</u>
Net change in fund balance	(1,270)	472	1,742
<b>Fund balance at beginning of year</b>	<u>2,770</u>	<u>2,770</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 1,500</u></u>	<u><u>\$ 3,242</u></u>	<u><u>\$ 1,742</u></u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**HOME ADMINISTRATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year	\$ 4,491	\$ 4,491	\$ -
Fund balance at end of year	<u>\$ 4,491</u>	<u>\$ 4,491</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TAX INCENTIVE REVIEW FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 1,000	\$ 1,000	\$ -
<b>Fund balance at end of year</b>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAND USE STUDY FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 4,144	\$ 4,144	\$ -
<b>Fund balance at end of year</b>	<u>\$ 4,144</u>	<u>\$ 4,144</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**COURT ADR FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 8,000	\$ 9,630	\$ 1,630
Total revenues	<u>8,000</u>	<u>9,630</u>	<u>1,630</u>
<b>Expenditures:</b>			
Current:			
General government:			
Municipal court:			
Contractual services	<u>16,000</u>	<u>14,750</u>	<u>1,250</u>
Total expenditures	<u>16,000</u>	<u>14,750</u>	<u>1,250</u>
Net change in fund balance	(8,000)	(5,120)	2,880
<b>Fund balance at beginning of year</b>	<u>29,040</u>	<u>29,040</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 21,040</u></u>	<u><u>\$ 23,920</u></u>	<u><u>\$ 2,880</u></u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT SECURITY GRANT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 2	\$ 2	\$ -
<b>Fund balance at end of year</b>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MUNICIPAL COURT SECURITY FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 25,000	\$ 25,026	\$ 26
Total revenues	25,000	25,026	26
<b>Expenditures:</b>			
Current:			
General government:			
Contractual services	4,000	-	4,000
Capital outlay	40,000	263	39,737
Total expenditures	44,000	263	43,737
Net change in fund balance	(19,000)	24,763	43,763
<b>Fund balance at beginning of year</b>	100,375	100,375	-
<b>Fund balance at end of year</b>	\$ 81,375	\$ 125,138	\$ 43,763

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COURT IMMOBILIZATION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 300	\$ 800	\$ 500
Total revenues	300	800	500
<b>Expenditures:</b>			
Current:			
General government:			
Municipal court:			
Materials and supplies	10,000	2,000	8,000
Total expenditures	10,000	2,000	8,000
Net change in fund balance	(9,700)	(1,200)	8,500
<b>Fund balance at beginning of year</b>	15,309	15,309	-
<b>Fund balance at end of year</b>	\$ 5,609	\$ 14,109	\$ 8,500

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**ONEOHIO GRANT FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 17,271	\$ 34,484	\$ 17,213
Total revenues	<u>17,271</u>	<u>34,484</u>	<u>17,213</u>
<b>Expenditures:</b>			
Current:			
General government:			
Law director:			
Materials and supplies	24,888	639	24,249
Total expenditures	<u>24,888</u>	<u>639</u>	<u>24,249</u>
Net change in fund balance	(7,617)	33,845	41,462
<b>Fund balance at beginning of year</b>	<u>7,687</u>	<u>7,687</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 70</u>	<u>\$ 41,532</u>	<u>\$ 41,462</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**PARKING LOT MAINTENANCE FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 1,200	\$ 1,380	\$ 180
Total revenues	<u>1,200</u>	<u>1,380</u>	<u>180</u>
<b>Expenditures:</b>			
Current:			
General Government:			
Parking facilities:			
Contractual services	<u>7,800</u>	<u>-</u>	<u>7,800</u>
Total expenditures	<u>7,800</u>	<u>-</u>	<u>7,800</u>
Net change in fund balance	(6,600)	1,380	7,980
<b>Fund balance at beginning of year</b>	<u>7,122</u>	<u>7,122</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 522</u></u>	<u><u>\$ 8,502</u></u>	<u><u>\$ 7,980</u></u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**LAND REUTILIZATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
Leisure time activities:			
Land reutilization:			
Materials and supplies	\$ 983	\$ -	\$ 983
Total expenditures	<u>983</u>	<u>-</u>	<u>983</u>
Net change in fund balance	(983)	-	983
<b>Fund balance at beginning of year</b>	983	983	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ 983</u>	<u>\$ 983</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**PARK RESOURCES FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 99	\$ 99	\$ -
<b>Fund balance at end of year</b>	<u>\$ 99</u>	<u>\$ 99</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**CITY INCOME TAX FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes	\$ 13,483,500	\$ 13,485,372	\$ 1,872
Other	2,500	2,507	7
Total revenues	<u>13,486,000</u>	<u>13,487,879</u>	<u>1,879</u>
<b>Expenditures:</b>			
Current:			
General government:			
Income tax:			
Salaries and wages	163,933	163,918	15
Fringe benefits	54,400	54,701	(301)
Contractual services	49,630	36,882	12,748
Materials and supplies	8,616	6,855	1,761
Other	285,000	276,971	8,029
Total expenditures	<u>561,579</u>	<u>539,327</u>	<u>22,252</u>
Excess of revenues over expenditures	<u>12,924,421</u>	<u>12,948,552</u>	<u>24,131</u>
<b>Other financing uses:</b>			
Transfers out	<u>(13,050,000)</u>	<u>(13,049,670)</u>	<u>330</u>
Total other financing uses	<u>(13,050,000)</u>	<u>(13,049,670)</u>	<u>330</u>
Net change in fund balance	(125,579)	(101,118)	24,461
<b>Fund balance at beginning of year</b>	135,972	135,972	-
<b>Prior year encumbrances appropriated</b>	146	146	-
<b>Fund balance at end of year</b>	<u>\$ 10,539</u>	<u>\$ 35,000</u>	<u>\$ 24,461</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**GASOLINE REVOLVING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 95,000	\$ 75,364	\$ (19,636)
Total revenues	<u>95,000</u>	<u>75,364</u>	<u>(19,636)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Revolving:			
Materials and supplies	90,000	72,937	17,063
Total expenditures	<u>90,000</u>	<u>72,937</u>	<u>17,063</u>
Net change in fund balance	5,000	2,427	(2,573)
<b>Fund balance at beginning of year</b>	4,442	4,442	-
<b>Fund balance at end of year</b>	<u>\$ 9,442</u>	<u>\$ 6,869</u>	<u>\$ (2,573)</u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**SUPPLY REVOLVING FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 201,600	\$ 224,781	\$ 23,181
Total revenues	<u>201,600</u>	<u>224,781</u>	<u>23,181</u>
<b>Expenditures:</b>			
Current:			
General government:			
Maintenance:			
Contractual services	330,198	256,537	73,661
Materials and supplies	36,000	-	36,000
Capital outlay	15,000	6,420	8,580
Total expenditures	<u>381,198</u>	<u>262,957</u>	<u>118,241</u>
Net change in fund balance	(179,598)	(38,176)	141,422
<b>Fund balance at beginning of year</b>	161,853	161,853	-
<b>Prior year encumbrances appropriated</b>	25,198	25,198	-
<b>Fund balance at end of year</b>	<u>\$ 7,453</u>	<u>\$ 148,875</u>	<u>\$ 141,422</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**AUDITOR TRANSFER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Licenses, permits and fees	\$ 95,000	\$ 36,000	\$ (59,000)
Other	30,500	35,225	4,725
Total revenues	<u>125,500</u>	<u>71,225</u>	<u>(54,275)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Auditor:			
Materials and supplies	14,000	300	13,700
Other	315,000	110,984	204,016
Total expenditures	<u>329,000</u>	<u>111,284</u>	<u>217,716</u>
Net change in fund balance	(203,500)	(40,059)	163,441
<b>Fund balance at beginning of year</b>	405,789	405,789	-
<b>Fund balance at end of year</b>	<u>\$ 202,289</u>	<u>\$ 365,730</u>	<u>\$ 163,441</u>

**CITY OF ALLIANCE, OHIO**

**FUND DESCRIPTION - NONMAJOR GOVERNMENTAL FUND**

**Debt Service Fund**

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**DEBT SERVICE FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
Debt service:			
Principal retirement:			
Bond	\$ 393,129	\$ 393,129	\$ -
Interest and fiscal charges:			
Bond	58,442	58,442	-
Total expenditures	<u>451,571</u>	<u>451,571</u>	<u>-</u>
Excess of expenditures over revenues	<u>(451,571)</u>	<u>(451,571)</u>	<u>-</u>
<b>Other financing sources:</b>			
Transfers in	<u>451,571</u>	<u>451,571</u>	<u>-</u>
Total other financing sources	<u>451,571</u>	<u>451,571</u>	<u>-</u>
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	43,850	43,850	-
<b>Fund balance at end of year</b>	<u>\$ 43,850</u>	<u>\$ 43,850</u>	<u>\$ -</u>

**CITY OF ALLIANCE, OHIO**

**FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS**

**Capital Projects Funds**

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Nonmajor Capital Project Funds**

***Capital Improvements Fund***

This fund accounts for income tax monies received for the purpose of the acquisition of capital assets.

***Street Income Tax Construction Fund***

This fund accounts for income tax monies used for improvements to various City roads.

***Municipal Road Fund***

This fund accounts for specific tax or other earmarked monies designated to finance annual street maintenance projects.

***Municipal Court Special Projects Fund***

This fund accounts for the monies received for the purpose of expenditures related to the capital acquisitions, improvements and replacements and any and all other special projects determined by the court or as authorized by law.

**CITY OF ALLIANCE, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**DECEMBER 31, 2023**

	<b>Capital Improvements</b>	<b>Street Income Tax Construction</b>	<b>Municipal Road</b>	<b>Muni. Court Special Projects</b>	<b>Total</b>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 2,453,458	\$ 2,036,236	\$ 3,353	\$ 106,835	\$ 4,599,882
Receivables (net of allowances for uncollectibles):					
Municipal income taxes	304,824	213,376	-	-	518,200
Accounts	-	-	-	1,353	1,353
Intergovernmental	63,430	-	-	-	63,430
Special assessments	-	28,397	-	-	28,397
Total assets	<u>\$ 2,821,712</u>	<u>\$ 2,278,009</u>	<u>\$ 3,353</u>	<u>\$ 108,188</u>	<u>\$ 5,211,262</u>
<b>Liabilities:</b>					
Accounts payable	\$ 260	\$ -	\$ -	\$ -	\$ 260
Contracts payable	29,017	-	-	-	29,017
Interfund loans payable	-	-	3,353	-	3,353
Total liabilities	<u>29,277</u>	<u>-</u>	<u>3,353</u>	<u>-</u>	<u>32,630</u>
<b>Deferred inflows of resources:</b>					
Income tax revenue not available	176,486	123,540	-	-	300,026
Special assessments revenue not available	-	28,397	-	-	28,397
Intergovernmental revenue not available	63,430	-	-	-	63,430
Total deferred inflows of resources	<u>239,916</u>	<u>151,937</u>	<u>-</u>	<u>-</u>	<u>391,853</u>
Total liabilities and deferred inflows of resources	<u>269,193</u>	<u>151,937</u>	<u>3,353</u>	<u>-</u>	<u>424,483</u>
<b>Fund balances:</b>					
Restricted	-	-	-	108,188	108,188
Committed	2,552,519	2,126,072	-	-	4,678,591
Total fund balances	<u>2,552,519</u>	<u>2,126,072</u>	<u>-</u>	<u>108,188</u>	<u>4,786,779</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,821,712</u>	<u>\$ 2,278,009</u>	<u>\$ 3,353</u>	<u>\$ 108,188</u>	<u>\$ 5,211,262</u>

**CITY OF ALLIANCE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Capital Improvements</b>	<b>Street Income Tax Construction</b>	<b>Municipal Road</b>	<b>Muni. Court Special Projects</b>	<b>Total</b>
<b>Revenues:</b>					
Municipal income taxes	\$ 1,304,857	\$ 913,399	\$ -	\$ -	\$ 2,218,256
Licenses, permits and fees	-	-	-	20,791	20,791
Fines and forfeitures	-	-	-	-	-
Intergovernmental	1,068,226	-	84,965	-	1,153,191
Other	196,618	2,800	-	-	199,418
Total revenues	<u>2,569,701</u>	<u>916,199</u>	<u>84,965</u>	<u>20,791</u>	<u>3,591,656</u>
<b>Expenditures:</b>					
Capital outlay	1,512,431	204,706	84,965	2,000	1,804,102
Debt service:					
Principal retirement	38,332	-	-	-	38,332
Interest and fiscal charges	558	-	-	-	558
Total expenditures	<u>1,551,321</u>	<u>204,706</u>	<u>84,965</u>	<u>2,000</u>	<u>1,842,992</u>
Net change in fund balances	1,018,380	711,493	-	18,791	1,748,664
<b>Fund balances at beginning of year</b>	1,534,139	1,414,579	-	89,397	3,038,115
<b>Fund balances at end of year</b>	<u>\$ 2,552,519</u>	<u>\$ 2,126,072</u>	<u>\$ -</u>	<u>\$ 108,188</u>	<u>\$ 4,786,779</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CAPITAL IMPROVEMENTS FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 1,091,009	\$ 1,068,226	\$ (22,783)
Other	8,000	197,402	189,402
Total revenues	<u>1,099,009</u>	<u>1,265,628</u>	<u>166,619</u>
<b>Expenditures:</b>			
Capital outlay:			
Capital improvements:			
Capital outlay	2,179,102	1,781,443	397,659
Total expenditures	<u>2,179,102</u>	<u>1,781,443</u>	<u>397,659</u>
Excess of expenditures over revenues	<u>(1,080,093)</u>	<u>(515,815)</u>	<u>564,278</u>
<b>Other financing sources (uses):</b>			
Sale of assets	-	7,450	7,450
Transfers in	1,100,000	1,304,967	204,967
Transfers (out)	(37,801)	(37,800)	1
Total other financing sources (uses)	<u>1,062,199</u>	<u>1,274,617</u>	<u>212,418</u>
Net change in fund balance	(17,894)	758,802	776,696
<b>Fund balance at beginning of year</b>	1,072,030	1,072,030	-
<b>Prior year encumbrances appropriated</b>	577,078	577,078	-
<b>Fund balance at end of year</b>	<u>\$ 1,631,214</u>	<u>\$ 2,407,910</u>	<u>\$ 776,696</u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET INCOME TAX CONSTRUCTION FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ -	\$ 2,800	\$ 2,800
Total revenues	<u>-</u>	<u>2,800</u>	<u>2,800</u>
<b>Expenditures:</b>			
Current:			
Capital outlay:			
Street income tax:			
Capital outlay	352,000	263,426	88,574
Total expenditures	<u>352,000</u>	<u>263,426</u>	<u>88,574</u>
Excess of expenditures over revenues	<u>(352,000)</u>	<u>(260,626)</u>	<u>91,374</u>
<b>Other financing sources:</b>			
Transfers in	850,000	913,477	63,477
Total other financing sources:	<u>850,000</u>	<u>913,477</u>	<u>63,477</u>
Net change in fund balance	498,000	652,851	154,851
<b>Fund balance at beginning of year</b>	1,278,107	1,278,107	-
<b>Prior year encumbrances appropriated</b>	52,000	52,000	-
<b>Fund balance at end of year</b>	<u>\$ 1,828,107</u>	<u>\$ 1,982,958</u>	<u>\$ 154,851</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**MUNICIPAL ROAD FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 204,647	\$ 199,612	\$ (5,035)
Total revenues	<u>204,647</u>	<u>199,612</u>	<u>(5,035)</u>
<b>Expenditures:</b>			
Current:			
Capital outlay:			
Capital outlay	88,318	84,965	3,353
Total expenditures	<u>88,318</u>	<u>84,965</u>	<u>3,353</u>
Excess of revenues over expenditures	<u>116,329</u>	<u>114,647</u>	<u>(1,682)</u>
<b>Other financing uses:</b>			
Advance out	<u>(114,647)</u>	<u>(114,647)</u>	<u>-</u>
Total other financing uses	<u>(114,647)</u>	<u>(114,647)</u>	<u>-</u>
Net change in fund balance	1,682	-	(1,682)
<b>Fund balance at beginning of year</b>	-	-	-
<b>Prior year encumbrances appropriated</b>	3,353	3,353	-
<b>Fund balance at end of year</b>	<u>\$ 5,035</u>	<u>\$ 3,353</u>	<u>\$ (1,682)</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**MUNICIPAL COURT SPECIAL PROJECT FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Licenses, permits, and fees	\$ 21,000	\$ 21,184	\$ 184
Total revenues	<u>21,000</u>	<u>21,184</u>	<u>184</u>
<b>Expenditures:</b>			
Current:			
Capital outlay:			
Capital improvements:			
Contractual services	5,000	-	5,000
Capital outlay	115,000	2,200	112,800
Total expenditures	<u>120,000</u>	<u>2,200</u>	<u>117,800</u>
Net change in fund balance	(99,000)	18,984	117,984
<b>Fund balance at beginning of year</b>	87,751	87,751	-
<b>Fund balance (deficit) at end of year</b>	<u>\$ (11,249)</u>	<u>\$ 106,735</u>	<u>\$ 117,984</u>

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## CITY OF ALLIANCE, OHIO

### FUND DESCRIPTIONS

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector business enterprises where the intent is that the cost (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

#### **Major Enterprise Funds**

##### ***Water Fund***

This fund accounts for revenues generated from charges for the distribution of water to residential and commercial users of the City.

##### ***Sewer Fund***

This fund accounts for revenues generated from charges for sanitary services provided to residential and commercial users of the City.

#### **Nonmajor Enterprise Funds**

##### ***Robertson Community Center Fund***

This fund accounts for revenues generated from charges for use of the facilities at the Robertson Community Center.

##### ***Community Improvement Fund***

This fund accounts for revenues generated from charges for garbage collection services.

**CITY OF ALLIANCE, OHIO**  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Robertson Community Center</u>	<u>Community Improvement</u>	<u>Totals</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 116,793	\$ 429,683	\$ 546,476
Prepayments	690	-	690
Total current assets	<u>117,483</u>	<u>429,683</u>	<u>547,166</u>
Noncurrent assets:			
Net pension asset	165	-	165
Depreciable capital assets (net of accumulated depreciation)	142,143	4,017	146,160
Total noncurrent assets	<u>142,308</u>	<u>4,017</u>	<u>146,325</u>
Total assets	<u>259,791</u>	<u>433,700</u>	<u>693,491</u>
<b>Deferred outflows of resources:</b>			
Pension	12,783	-	12,783
OPEB	1,899	-	1,899
Total deferred outflows of resources	<u>14,682</u>	<u>-</u>	<u>14,682</u>
Total assets deferred outflows of resources	<u>\$ 274,473</u>	<u>\$ 433,700</u>	<u>\$ 708,173</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	\$ 565	\$ 138,133	\$ 138,698
Total current liabilities	<u>565</u>	<u>138,133</u>	<u>138,698</u>
Long-term liabilities:			
Net pension liability	27,559	-	27,559
Net OPEB liability	571	-	571
Total liabilities	<u>28,695</u>	<u>138,133</u>	<u>166,828</u>
<b>Deferred inflows of resources:</b>			
Pension	2,783	-	2,783
OPEB	244	-	244
Total deferred inflows of resources	<u>3,027</u>	<u>-</u>	<u>3,027</u>
Total liabilities and deferred inflows of resources	<u>31,722</u>	<u>138,133</u>	<u>169,855</u>
<b>Net position:</b>			
Net investment in capital assets	142,143	4,017	146,160
Restricted	165	-	165
Unrestricted	100,443	291,550	391,993
Total net position	<u>\$ 242,751</u>	<u>\$ 295,567</u>	<u>\$ 538,318</u>

**CITY OF ALLIANCE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Robertson Community Center</b>	<b>Community Improvement</b>	<b>Totals</b>
<b>Operating revenues:</b>			
Charges for services	\$ -	\$ 1,555,118	\$ 1,555,118
Other	66,288	4,251	70,539
Total operating revenues	<u>66,288</u>	<u>1,559,369</u>	<u>1,625,657</u>
<b>Operating expenses:</b>			
Salaries	16,881	-	16,881
Fringe benefits	12,041	-	12,041
Contract services	15,192	1,606,304	1,621,496
Materials and supplies	16,671	2,942	19,613
Depreciation	10,799	502	11,301
Other	350	-	350
Total operating expenses	<u>71,934</u>	<u>1,609,748</u>	<u>1,681,682</u>
Change in net position	(5,646)	(50,379)	(56,025)
<b>Net position at beginning of year</b>	<u>248,397</u>	<u>345,946</u>	<u>594,343</u>
<b>Net position at end of year</b>	<u>\$ 242,751</u>	<u>\$ 295,567</u>	<u>\$ 538,318</u>

**CITY OF ALLIANCE, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Robertson Community Center</b>	<b>Community Improvement</b>	<b>Totals</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ -	\$ 1,555,118	\$ 1,555,118
Cash received from other operations	66,288	4,251	70,539
Cash payments for salaries	(16,881)	-	(16,881)
Cash payments for fringe benefits	(3,404)	-	(3,404)
Cash payments for contractual services	(16,486)	(1,586,055)	(1,602,541)
Cash payments for materials and supplies	(16,671)	(2,942)	(19,613)
Cash payments for other expenses	(350)	-	(350)
Net cash provided by (used in) operating activities	<u>12,496</u>	<u>(29,628)</u>	<u>(17,132)</u>
Net increase (decrease) in cash and cash equivalents	12,496	(29,628)	(17,132)
<b>Cash and cash equivalents at beginning of year</b>	104,297	459,311	563,608
<b>Cash and cash equivalents at end of year</b>	<u>\$ 116,793</u>	<u>\$ 429,683</u>	<u>\$ 546,476</u>
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities:</b>			
Operating loss	\$ (5,646)	\$ (50,379)	\$ (56,025)
Adjustments:			
Depreciation	10,799	502	11,301
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
Prepayments	(402)	-	(402)
Net pension asset	265	-	265
Net OPEB asset	3,643	-	3,643
Deferred outflows - pension	(167)	-	(167)
Deferred outflows - OPEB	1,382	-	1,382
Accounts payable	82	20,249	20,331
Due to other governments	(1,769)	-	(1,769)
Net pension liability	17,184	-	17,184
Net OPEB liability	571	-	571
Deferred outflows - pension	(9,925)	-	(9,925)
Deferred outflows - OPEB	(3,521)	-	(3,521)
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 12,496</u>	<u>\$ (29,628)</u>	<u>\$ (17,132)</u>



**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**WATER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Operating revenues:</b>			
Charges for services	\$ 5,407,000	\$ 5,465,040	\$ 58,040
Other	104,800	112,869	8,069
Total operating revenues	<u>5,511,800</u>	<u>5,577,909</u>	<u>66,109</u>
<b>Operating expenses:</b>			
Salaries and benefits	1,865,486	1,549,033	316,453
Fringe benefits	675,649	556,444	119,205
Contract services	1,289,366	800,351	489,015
Materials and supplies	2,220,404	2,138,317	82,087
Capital outlay	2,900,816	2,361,332	539,484
Other	5,200	5,138	62
Total operating expenses	<u>8,956,921</u>	<u>7,410,615</u>	<u>1,546,306</u>
Operating loss	<u>(3,445,121)</u>	<u>(1,832,706)</u>	<u>1,612,415</u>
<b>Nonoperating revenues:</b>			
Interest revenue	156,628	202,883	46,255
Intergovernmental revenue	500,000	547,795	47,795
Total nonoperating revenues	<u>656,628</u>	<u>750,678</u>	<u>94,050</u>
Loss before transfers	<u>(2,788,493)</u>	<u>(1,082,028)</u>	<u>1,706,465</u>
Transfers in	1,920,000	1,921,987	1,987
Transfers (out)	<u>(1,806,000)</u>	<u>(1,585,681)</u>	<u>220,319</u>
Net change in net position	<u>(2,674,493)</u>	<u>(745,722)</u>	<u>1,928,771</u>
<b>Net position beginning of year</b>	6,029,203	6,029,203	-
<b>Prior year encumbrances appropriated</b>	372,011	372,011	-
<b>Net position end of year</b>	<u>\$ 3,726,721</u>	<u>\$ 5,655,492</u>	<u>\$ 1,928,771</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

**SEWER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Operating revenues:</b>			
Charges for services	\$ 4,810,000	\$ 5,306,673	\$ 496,673
Licenses, permits and fees	13,000	69,526	56,526
Other	15,000	20,791	5,791
Total operating revenues	<u>4,838,000</u>	<u>5,396,990</u>	<u>558,990</u>
<b>Operating expenses:</b>			
Salaries and benefits	1,814,762	1,645,427	169,335
Fringe benefits	762,203	662,496	99,707
Contract services	1,328,277	917,037	411,240
Materials and supplies	853,148	602,370	250,778
Capital outlay	10,127,184	9,945,424	181,760
Other	6,000	5,138	862
Total operating expenses	<u>14,891,574</u>	<u>13,777,892</u>	<u>1,113,682</u>
Operating loss	<u>(10,053,574)</u>	<u>(8,380,902)</u>	<u>1,672,672</u>
<b>Nonoperating revenues:</b>			
Interest revenue	168,000	196,806	28,806
Loan proceeds	7,400,000	7,309,833	(90,167)
Total nonoperating revenues	<u>7,568,000</u>	<u>7,506,639</u>	<u>(61,361)</u>
Loss before transfers	<u>(2,485,574)</u>	<u>(874,263)</u>	<u>1,611,311</u>
Transfers in	1,600,000	1,500,000	(100,000)
Transfers (out)	<u>(1,937,000)</u>	<u>(1,728,090)</u>	<u>208,910</u>
Net change in net position	(2,822,574)	(1,102,353)	1,720,221
<b>Net position beginning of year</b>	4,789,670	4,789,670	-
<b>Prior year encumbrances appropriated</b>	1,154,184	1,154,184	-
<b>Net position end of year</b>	<u>\$ 3,121,280</u>	<u>\$ 4,841,501</u>	<u>\$ 1,720,221</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ROBERTSON COMMUNITY CENTER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Operating revenues:</b>			
Other	\$ 57,800	\$ 66,288	\$ 8,488
Total operating revenues	<u>57,800</u>	<u>66,288</u>	<u>8,488</u>
<b>Operating expenses:</b>			
Salaries and benefits	21,994	16,881	5,113
Fringe benefits	4,245	3,404	841
Contract services	20,933	16,486	4,447
Materials and supplies	12,000	12,000	-
Capital outlay	4,700	4,671	29
Other	350	350	-
Total operating expenses	<u>64,222</u>	<u>53,792</u>	<u>10,430</u>
Net change in net position	(6,422)	12,496	18,918
Net position beginning of year	103,914	103,914	-
Prior year encumbrances appropriated	383	383	-
Net position end of year	<u>\$ 97,875</u>	<u>\$ 116,793</u>	<u>\$ 18,918</u>

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY IMPROVEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Operating revenues:</b>			
Charges for services	\$ 1,475,000	\$ 1,555,118	\$ 80,118
Other	3,500	4,251	751
Total operating revenues	<u>1,478,500</u>	<u>1,559,369</u>	<u>80,869</u>
<b>Operating expenses:</b>			
Salaries and benefits	15,000	-	15,000
Fringe benefits	2,318	-	2,318
Contract services	1,722,000	1,721,660	340
Materials and supplies	10,000	2,942	7,058
Other	250	-	250
Total operating expenses	<u>1,749,568</u>	<u>1,724,602</u>	<u>24,966</u>
Net change in net position	(271,068)	(165,233)	105,835
<b>Net position beginning of year</b>	459,311	459,311	-
<b>Net position end of year</b>	<u>\$ 188,243</u>	<u>\$ 294,078</u>	<u>\$ 105,835</u>

**CITY OF ALLIANCE, OHIO**

FUND DESCRIPTION

**Internal Service Fund**

The internal service fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. Specifically, the internal service fund accounts for a medical benefit self-insurance program for employees of the City.

**CITY OF ALLIANCE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**INTERNAL SERVICE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Operating revenues:</b>			
Charges for services	\$ 3,131,000	\$ 2,728,987	\$ (402,013)
Other	206,000	291,501	85,501
Total operating revenues	<u>3,337,000</u>	<u>3,020,488</u>	<u>(316,512)</u>
<b>Operating expenses:</b>			
Claims	<u>3,172,012</u>	<u>3,101,603</u>	70,409
Total operating expenses	<u>3,172,012</u>	<u>3,101,603</u>	70,409
Net change in net position	164,988	(81,115)	(246,103)
Net position beginning of year	183,557	183,557	-
Prior year encumbrances appropriated	2,012	2,012	-
Net position end of year	<u>\$ 350,557</u>	<u>\$ 104,454</u>	<u>\$ (246,103)</u>

**CITY OF ALLIANCE, OHIO**

FUND DESCRIPTION

**Custodial Fund**

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. This fund does not account for the City's own source revenue. The following is a description of the City's custodial fund.

***Municipal Court Fund***

This fund accounts for monies received from the municipal court which are distributed to various agencies.

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## STATISTICAL SECTION

**CITY OF ALLIANCE, OHIO**  
**STATISTICAL SECTION**

This part of the City of Alliance's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u><b>Contents</b></u>	<u><b>Page</b></u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	225-234
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the income tax.	235
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	236-242
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	243-244
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	245-252

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**CITY OF ALLIANCE, OHIO**

NET POSITION BY COMPONENT  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 26,632,998	\$ 22,097,589	\$ 19,889,769	\$ 18,214,085
Restricted for:				
Debt service	43,850	43,850	43,850	45,655
Capital projects	108,188	89,397	73,994	55,024
Transportation projects	365,466	356,649	229,948	190,262
Public service programs	827,716	879,941	676,087	555,986
Community development programs	3,442,485	3,435,510	3,313,037	3,447,536
Police and fire pension	-	-	-	-
Security programs	139,139	159,909	227,825	209,657
Other purposes	1,550,178	1,294,504	648,164	837,277
Pension/OPEB	42,174	-	-	-
Unrestricted (deficit)	<u>(6,186,100)</u>	<u>(7,880,549)</u>	<u>(10,237,106)</u>	<u>(13,936,240)</u>
Total governmental activities net position	<u>\$ 26,966,094</u>	<u>\$ 20,476,800</u>	<u>\$ 14,865,568</u>	<u>\$ 9,619,242</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 24,924,368	\$ 24,552,475	\$ 23,264,663	\$ 23,113,403
Restricted:				
Debt service	-	-	-	4
Pension/OPEB	29,893	-	-	-
Replacement and surplus reserve	2,210,770	1,637,978	1,939,734	1,866,743
Unrestricted	<u>8,954,968</u>	<u>9,563,571</u>	<u>7,645,298</u>	<u>4,346,860</u>
Total business-type activities net position	<u>\$ 36,119,999</u>	<u>\$ 35,754,024</u>	<u>\$ 32,849,695</u>	<u>\$ 29,327,010</u>
<b>Total primary government</b>				
Net investment in capital assets	\$ 51,557,366	\$ 46,650,064	\$ 43,154,432	\$ 41,327,488
Restricted for:				
Capital projects	108,188	89,397	73,994	55,024
Debt service	43,850	43,850	43,850	45,659
Replacement and surplus reserve	2,210,770	1,637,978	1,939,734	1,866,743
Transportation projects	365,466	356,649	229,948	190,262
Public service programs	827,716	879,941	676,087	555,986
Community environment programs	3,442,485	3,435,510	3,313,037	3,447,536
Security programs	139,139	159,909	227,825	209,657
Police and fire pension	-	-	-	-
Other purposes	1,550,178	1,294,504	648,164	837,277
Other purposes	72,067	-	-	-
Unrestricted (deficit)	<u>2,768,868</u>	<u>1,683,022</u>	<u>(2,591,808)</u>	<u>(9,589,380)</u>
Total primary government net position	<u>\$ 63,086,093</u>	<u>\$ 56,230,824</u>	<u>\$ 47,715,263</u>	<u>\$ 38,946,252</u>

**Source:** City financial records.

**Notes:** The net position at December 31, 2014 has been restated for the implementation of GASB Statement No. 68 and 71.  
The net position at December 31, 2017 has been restated for the implementation of GASB Statement No. 75.  
The net position at December 31, 2019 has been restated for the implementation of GASB Statement No. 84.

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	17,381,872	\$ 17,926,582	\$ 18,803,807	\$ 19,802,449	\$ 19,340,616	\$ 19,325,774
	66,957	66,216	65,369	64,617	145,057	425,849
	38,390	15,879	-	-	-	86,105
	143,503	206,857	156,417	89,780	117,694	357,951
	548,571	843,181	982,136	1,016,857	1,048,390	1,175,610
	3,327,370	3,233,795	2,854,058	3,184,299	3,184,160	3,329,142
	-	20,000	66,555	34,220	24,686	38,397
	218,959	290,587	347,508	344,515	355,439	392,320
	466,429	288,369	189,666	302,795	148,897	119,585
	-	-	-	-	-	-
	(16,370,181)	(26,438,433)	(25,204,668)	(10,943,407)	(8,403,601)	(7,859,134)
\$	<u>5,821,870</u>	<u>\$ (3,546,967)</u>	<u>\$ (1,739,152)</u>	<u>\$ 13,896,125</u>	<u>\$ 15,961,338</u>	<u>\$ 17,391,599</u>
\$	20,478,007	\$ 18,528,115	\$ 17,053,900	\$ 15,854,399	\$ 14,314,561	\$ 13,620,315
	225,734	407,837	439,150	449,748	520,304	548,950
	-	-	-	-	-	-
	1,652,595	1,063,822	1,132,890	866,353	878,195	522,362
	5,310,928	6,205,777	6,240,242	8,420,942	8,390,452	7,305,450
\$	<u>27,667,264</u>	<u>\$ 26,205,551</u>	<u>\$ 24,866,182</u>	<u>\$ 25,591,442</u>	<u>\$ 24,103,512</u>	<u>\$ 21,997,077</u>
\$	37,859,879	\$ 36,454,697	\$ 35,857,707	\$ 35,656,848	\$ 33,655,177	\$ 32,946,089
	38,390	15,879	-	-	-	86,105
	292,691	474,053	504,519	514,365	665,361	974,799
	1,652,595	1,063,822	1,132,890	866,353	878,195	522,362
	143,503	206,857	156,417	89,780	117,694	357,951
	548,571	843,181	982,136	1,016,857	1,048,390	1,175,610
	3,327,370	3,233,795	2,854,058	3,184,299	3,184,160	3,329,142
	218,959	290,587	347,508	344,515	355,439	392,320
	-	20,000	66,555	34,220	24,686	38,397
	466,429	288,369	189,666	302,795	148,897	119,585
	-	-	-	-	-	-
	(11,059,253)	(20,232,656)	(18,964,426)	(2,522,465)	(13,149)	(553,684)
\$	<u>33,489,134</u>	<u>\$ 22,658,584</u>	<u>\$ 23,127,030</u>	<u>\$ 39,487,567</u>	<u>\$ 40,064,850</u>	<u>\$ 39,388,676</u>

**CITY OF ALLIANCE, OHIO**

CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
General government	\$ 929,807	\$ 1,086,393	\$ 1,026,462	\$ 1,435,730
Security of persons and property	187,245	184,961	168,575	156,181
Public health and welfare	33,018	99,128	70,240	87,783
Transportation	-	-	-	-
Community environment	146,561	94,453	97,590	113,156
Leisure time activities	47,279	41,551	24,066	15,594
Subtotal - charges for services	<u>1,343,910</u>	<u>1,506,486</u>	<u>1,386,933</u>	<u>1,808,444</u>
Operating grants and contributions:				
General government	5,959,166	2,164,508	46,995	32,639
Security of persons and property	98,111	98,208	207,615	1,940,143
Public health and welfare	52,735	12,350	7,880	-
Transportation	1,194,872	1,324,918	1,445,781	1,439,406
Community environment	809,063	696,042	1,122,438	839,337
Leisure time activities	94	105	-	-
Subtotal - operating grants and contributions	<u>8,114,041</u>	<u>4,296,131</u>	<u>2,830,709</u>	<u>4,251,525</u>
Capital grants and contributions:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Transportation	898,265	943,445	802,751	1,622,699
Leisure time activities	-	-	-	-
Subtotal - capital grants and contributions	<u>898,265</u>	<u>943,445</u>	<u>802,751</u>	<u>1,622,699</u>
Total governmental activities program revenues	<u>10,356,216</u>	<u>6,746,062</u>	<u>5,020,393</u>	<u>7,682,668</u>
Business-type activities:				
Charges for services:				
Water	5,527,352	5,758,653	5,463,255	5,547,357
Sewer	5,335,362	4,845,801	4,802,514	5,047,117
Robertson Community Center	66,288	62,338	49,956	11,169
Community Improvement	1,559,369	1,451,515	1,421,572	1,351,111
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>12,488,371</u>	<u>12,118,307</u>	<u>11,737,297</u>	<u>11,956,754</u>
Total primary government	<u>\$ 22,844,587</u>	<u>\$ 18,864,369</u>	<u>\$ 16,757,690</u>	<u>\$ 19,639,422</u>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 5,113,287	\$ 3,349,511	\$ 1,930,292	\$ 3,794,432
Security of persons and property	11,390,759	9,296,692	8,455,029	9,749,781
Public health and welfare	743,466	626,899	530,164	907,648
Transportation	3,177,903	2,115,308	2,191,524	2,414,065
Community environment	1,008,650	701,128	1,137,043	1,054,128
Basic utility services	36,610	40,661	34,356	74,544
Leisure time activities	1,141,742	946,390	455,427	875,940
Interest and fiscal charges	11,149	12,238	12,715	13,924
Total governmental activities expenses	<u>22,623,566</u>	<u>17,088,827</u>	<u>14,746,550</u>	<u>18,884,462</u>

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	1,401,813	\$ 1,554,322	\$ 1,043,042	\$ 1,282,857	\$ 1,657,019	\$ 1,572,870
	180,066	220,814	164,757	107,598	76,764	65,939
	77,246	180,031	169,774	179,096	200,787	161,864
	-	-	-	-	-	272
	168,148	168,491	129,587	124,538	158,407	59,609
	30,502	31,343	26,935	28,699	7,420	26,106
	<u>1,857,775</u>	<u>2,155,001</u>	<u>1,534,095</u>	<u>1,722,788</u>	<u>2,100,397</u>	<u>1,886,660</u>
	31,100	40,235	100,439	520,850	49,925	56,207
	205,603	116,727	54,318	68,815	88,367	119,213
	-	165,934	136,102	127,350	122,410	133,115
	1,156,195	989,818	1,062,884	939,324	986,928	975,748
	1,522,364	1,842,178	1,249,650	1,086,050	731,338	999,489
	-	-	-	-	-	-
	<u>2,915,262</u>	<u>3,154,892</u>	<u>2,603,393</u>	<u>2,742,389</u>	<u>1,978,968</u>	<u>2,283,772</u>
	-	-	-	-	12,500	263
	-	15,000	-	-	-	-
	350,218	218,320	366,748	1,279,658	331,606	543,314
	212,700	-	305,627	-	-	-
	<u>562,918</u>	<u>233,320</u>	<u>672,375</u>	<u>1,279,658</u>	<u>344,106</u>	<u>543,577</u>
	<u>5,335,955</u>	<u>5,543,213</u>	<u>4,809,863</u>	<u>5,744,835</u>	<u>4,423,471</u>	<u>4,714,009</u>
	5,682,228	5,692,737	5,026,836	5,336,229	5,244,227	5,027,585
	5,096,377	4,964,122	4,398,714	4,446,894	4,546,914	4,245,435
	49,807	48,031	48,188	54,348	44,928	47,494
	1,302,326	1,255,875	526,604	-	-	-
	-	269,500	675,292	-	-	-
	<u>12,130,738</u>	<u>12,230,265</u>	<u>10,675,634</u>	<u>9,837,471</u>	<u>9,836,069</u>	<u>9,320,514</u>
\$	<u>17,466,693</u>	<u>\$ 17,773,478</u>	<u>\$ 15,485,497</u>	<u>\$ 15,582,306</u>	<u>\$ 14,259,540</u>	<u>\$ 14,034,523</u>
\$	4,094,336	\$ 3,617,085	\$ 3,688,938	\$ 4,360,652	\$ 3,786,152	\$ 3,530,481
	1,187,041	10,483,887	9,688,773	9,647,261	9,005,619	8,983,758
	724,395	1,058,035	1,099,398	1,038,202	952,886	944,102
	2,824,884	2,295,904	2,411,821	2,582,067	2,584,976	1,946,535
	1,138,812	1,583,160	1,699,760	1,410,889	941,453	1,132,317
	79,816	47,541	65,837	61,731	41,870	68,828
	1,009,135	739,664	777,138	765,229	748,255	741,638
	15,093	16,497	19,154	26,933	28,195	39,947
	<u>11,073,512</u>	<u>19,841,773</u>	<u>19,450,819</u>	<u>19,892,964</u>	<u>18,089,406</u>	<u>17,387,606</u>

**CITY OF ALLIANCE, OHIO**

CHANGES IN NET POSITION (CONTINUED)  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Business-type activities:				
Water	\$ 6,453,101	\$ 5,004,734	\$ 4,126,886	\$ 4,373,005
Sewer	5,215,837	4,072,982	3,264,203	5,020,317
Robertson Community Center	71,934	61,370	39,488	14,561
Community Improvement	1,609,748	1,287,311	1,359,907	1,488,547
Total business-type activities expenses	<u>13,350,620</u>	<u>10,426,397</u>	<u>8,790,484</u>	<u>10,896,430</u>
Total primary government	<u>\$ 35,974,186</u>	<u>\$ 27,515,224</u>	<u>\$ 23,537,034</u>	<u>\$ 29,780,892</u>
<b>Net (expense) revenue:</b>				
Governmental activities	\$ (12,267,350)	\$ (10,342,765)	\$ (9,726,157)	\$ (11,201,794)
Business-type activities	(862,249)	1,691,910	2,946,813	1,060,324
Total primary government net expense	<u>\$ (13,129,599)</u>	<u>\$ (8,650,855)</u>	<u>\$ (6,779,344)</u>	<u>\$ (10,141,470)</u>
<b>General revenues and other changes in net position:</b>				
Governmental activities:				
Municipal income taxes	\$ 13,188,905	\$ 13,490,189	\$ 11,613,495	\$ 10,136,657
Property and other local taxes	2,130,025	2,174,212	1,987,158	2,020,389
Permissive motor vehicle license tax	183,515	-	-	-
Grants and entitlements				
not restricted to specific programs	792,044	854,146	881,192	546,126
Investment earnings	136,827	161,955	34,639	30,624
Gain (loss) on fair value adjustment	884,264	(1,623,203)	(350,628)	206,711
Gain on sale of capital assets	-	-	184,087	-
Miscellaneous	1,011,415	896,698	622,540	2,058,659
Transfers	-	-	-	-
Capital contributions	429,649	-	-	-
Special item	-	-	-	-
Total governmental activities	<u>18,756,644</u>	<u>15,953,997</u>	<u>14,972,483</u>	<u>14,999,166</u>
Business-type activities:				
Municipal income taxes	533,953	538,160	459,654	397,548
Grants and entitlements				
not restricted to specific programs	294,582	497,778	-	-
Investment earnings	399,689	176,481	116,218	201,874
Transfers	-	-	-	-
Total business-type activities	<u>1,228,224</u>	<u>1,212,419</u>	<u>575,872</u>	<u>599,422</u>
Total primary government	<u>\$ 19,984,868</u>	<u>\$ 17,166,416</u>	<u>\$ 15,548,355</u>	<u>\$ 15,598,588</u>
<b>Change in net position:</b>				
Governmental activities	\$ 6,489,294	\$ 5,611,232	\$ 5,246,326	\$ 3,797,372
Business-type activities	365,975	2,904,329	3,522,685	1,659,746
Total primary government	<u>\$ 6,855,269</u>	<u>\$ 8,515,561</u>	<u>\$ 8,769,011</u>	<u>\$ 5,457,118</u>

Source: City financial records.

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	4,576,875	\$ 5,060,457	\$ 4,721,033	\$ 4,574,627	\$ 4,222,774	\$ 4,490,494
	5,409,140	5,086,176	4,729,283	4,194,853	3,932,292	4,364,930
	83,696	65,137	350,405	63,466	54,428	60,546
	1,233,768	1,243,119	80,802	-	-	-
	11,303,479	11,454,889	9,881,523	8,832,946	8,209,494	8,915,970
\$	<u>22,376,991</u>	<u>\$ 31,296,662</u>	<u>\$ 29,332,342</u>	<u>\$ 28,725,910</u>	<u>\$ 26,298,900</u>	<u>\$ 26,303,576</u>
\$	(5,737,557)	\$ (14,298,560)	\$ (14,640,956)	\$ (14,148,129)	\$ (13,665,935)	\$ (12,673,597)
	827,259	775,376	794,111	1,004,525	1,626,575	404,544
\$	<u>(4,910,298)</u>	<u>\$ (13,523,184)</u>	<u>\$ (13,846,845)</u>	<u>\$ (13,143,604)</u>	<u>\$ (12,039,360)</u>	<u>\$ (12,269,053)</u>
\$	10,702,325	\$ 10,366,624	\$ 9,728,707	\$ 10,156,552	\$ 10,305,849	\$ 10,739,033
	1,988,388	1,057,126	934,726	955,825	893,577	905,285
	-	-	-	-	-	-
	649,164	659,829	547,218	606,027	630,859	592,068
	22,766	26,599	23,077	18,684	18,707	25,442
	199,082	17,869	(68,725)	(8,977)	14,262	-
	-	-	-	-	-	-
	518,124	362,698	329,524	354,805	372,420	537,100
	-	-	-	-	-	546,889
	-	-	-	-	-	-
	1,025,474	-	-	-	-	-
	15,105,323	12,490,745	11,494,527	12,082,916	12,235,674	13,345,817
	432,114	405,720	380,242	399,981	404,207	420,332
	-	-	-	-	-	-
	202,340	158,273	128,274	83,424	75,653	115,162
	-	-	-	-	-	(546,889)
	634,454	563,993	508,516	483,405	479,860	(11,395)
\$	<u>15,739,777</u>	<u>\$ 13,054,738</u>	<u>\$ 12,003,043</u>	<u>\$ 12,566,321</u>	<u>\$ 12,715,534</u>	<u>\$ 13,334,422</u>
\$	9,367,766	\$ (1,807,815)	\$ (3,146,429)	\$ (2,065,213)	\$ (1,430,261)	\$ 672,220
	1,461,713	1,339,369	1,302,627	1,487,930	2,106,435	393,149
\$	<u>10,829,479</u>	<u>\$ (468,446)</u>	<u>\$ (1,843,802)</u>	<u>\$ (577,283)</u>	<u>\$ 676,174</u>	<u>\$ 1,065,369</u>



**CITY OF ALLIANCE, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>General fund:</b>					
Nondisposable	\$ 340,337	\$ 333,042	\$ 245,012	\$ 296,770	\$ 329,865
Restricted	3,352	3,652	7,741	13,243	8,193
Committed	27,458	126,868	104,255	121,422	87,828
Assigned	324,386	463,548	895,850	2,090,115	799,469
Unassigned	<u>4,907,315</u>	<u>3,170,450</u>	<u>2,732,043</u>	<u>2,715,212</u>	<u>1,702,053</u>
Total general fund	<u>5,602,848</u>	<u>4,097,560</u>	<u>3,984,901</u>	<u>5,236,762</u>	<u>2,927,408</u>
<b>All other governmental funds:</b>					
Nondisposable	138,311	96,379	93,131	91,247	117,310
Restricted	6,765,985	6,514,812	6,155,579	6,102,424	5,769,013
Committed	4,692,857	2,981,718	2,589,266	1,263,896	648,707
Assigned	-	-	-	-	-
Unassigned (deficit)	<u>(309,294)</u>	<u>(191,134)</u>	<u>(76,684)</u>	<u>(18,210)</u>	<u>(119,965)</u>
Total all other governmental funds	<u>11,287,859</u>	<u>9,401,775</u>	<u>8,761,292</u>	<u>7,439,357</u>	<u>6,415,065</u>
Total governmental funds	<u>\$ 16,890,707</u>	<u>\$ 13,499,335</u>	<u>\$ 12,746,193</u>	<u>\$ 12,676,119</u>	<u>\$ 9,342,473</u>

**Source:** City financial records.

**Note:** The City implemented GASB 84 in 2020.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 246,779	\$ 262,989	\$ 256,700	\$ 386,149	\$ 98,029
10,710	7,719	4,586	-	-
180,757	87,966	27,592	59,451	103,593
245,393	877,671	186,256	1,299,804	1,566,149
<u>1,083,006</u>	<u>-</u>	<u>916,477</u>	<u>1,159,618</u>	<u>1,130,672</u>
<u>1,766,645</u>	<u>1,236,345</u>	<u>1,391,611</u>	<u>2,905,022</u>	<u>2,898,443</u>
87,916	75,111	109,983	53,784	31,068
5,468,424	5,033,095	5,125,523	5,372,753	5,859,314
223,888	455,388	787,042	760,187	1,057,921
-	-	-	-	1,000
<u>(116,568)</u>	<u>(12,107)</u>	<u>(203,737)</u>	<u>(352,810)</u>	<u>-</u>
<u>5,663,660</u>	<u>5,551,487</u>	<u>5,818,811</u>	<u>5,833,914</u>	<u>6,949,303</u>
<u>\$ 7,430,305</u>	<u>\$ 6,787,832</u>	<u>\$ 7,210,422</u>	<u>\$ 8,738,936</u>	<u>\$ 9,847,746</u>

**CITY OF ALLIANCE, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Revenues</b>				
Municipal income taxes	\$ 12,899,366	\$ 13,235,532	\$ 11,585,481	\$ 10,152,933
Property and other taxes	2,347,010	2,181,633	1,988,868	1,975,539
Charges for services	333,023	434,129	328,234	515,061
Licenses, permits and fees	224,146	323,174	269,645	292,027
Fines and forfeitures	540,050	578,966	606,796	576,797
Intergovernmental	9,807,502	5,627,882	3,790,249	6,029,425
Special assessments	-	-	-	-
Investment income	299,915	198,420	92,452	336,694
Rental income	29,298	36,337	28,702	14,794
Contributions and donations	-	-	-	-
Fair value adjustment	884,264	(1,623,203)	(350,628)	-
Other	1,122,783	1,197,030	1,105,119	2,374,391
Total revenues	<u>28,487,357</u>	<u>22,189,900</u>	<u>19,444,918</u>	<u>22,267,661</u>
<b>Expenditures</b>				
Current:				
General government	4,688,903	3,582,767	3,487,217	3,414,288
Security of persons and property	9,974,008	9,707,689	9,221,442	8,898,206
Public health and welfare	731,653	668,290	604,717	894,058
Transportation	1,162,052	1,086,043	2,238,246	1,535,638
Community environment	1,001,513	787,198	1,312,061	1,092,996
Leisure time activities	929,183	990,254	843,671	741,445
Basic utility services	29,562	53,975	64,297	67,004
Capital outlay	6,545,346	4,490,040	1,822,495	2,229,506
Debt service:				
Principal retirement	63,402	58,300	49,183	47,973
Interest and fiscal charges	11,160	12,202	12,764	13,972
Total expenditures	<u>25,136,782</u>	<u>21,436,758</u>	<u>19,656,093</u>	<u>18,935,086</u>
Excess (deficiency) of revenues over (under) expenditures	3,350,575	753,142	(211,175)	3,332,575
<b>Other financing sources (uses)</b>				
Sale of capital assets	-	-	281,249	-
SIB loan proceeds	-	-	-	-
Lease transaction	40,797	-	-	-
Transfers in	1,229,991	989,395	925,630	1,477,454
Transfers (out)	(1,229,991)	(989,395)	(925,630)	(1,477,454)
Total other financing sources (uses)	<u>40,797</u>	<u>-</u>	<u>281,249</u>	<u>-</u>
<b>Special item</b>				
Transfer of operations	-	-	-	-
Net change in fund balances	<u>\$ 3,391,372</u>	<u>\$ 753,142</u>	<u>\$ 70,074</u>	<u>\$ 3,332,575</u>
Capital expenditures	\$ 6,034,881	\$ 4,208,873	\$ 3,268,206	\$ 2,342,706
Debt service as a percentage of noncapital expenditures	0.39%	0.41%	0.38%	0.37%

Source: City financial records.

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	10,652,126	\$ 10,357,967	\$ 9,808,805	\$ 10,183,234	\$ 10,272,590	\$ 10,701,172
	1,880,731	1,053,399	948,761	954,561	897,035	897,977
	620,870	608,412	515,589	376,950	325,908	378,773
	373,359	573,871	429,225	396,001	658,533	225,825
	651,658	654,796	543,521	638,352	831,263	851,808
	3,831,182	3,662,860	3,629,004	4,153,323	2,758,634	2,796,166
	-	-	-	-	-	67,295
	314,876	102,375	18,485	58,434	61,429	44,593
	24,446	29,486	36,586	26,313	44,546	74,834
	6,457	4,842	4,645	17,812	10,498	13,092
	-	-	-	-	-	-
	719,049	754,170	599,485	943,409	678,148	1,095,294
	<u>19,074,754</u>	<u>17,802,178</u>	<u>16,534,106</u>	<u>17,748,389</u>	<u>16,538,584</u>	<u>17,146,829</u>
	3,394,151	3,237,050	3,069,659	3,912,589	3,279,554	3,104,014
	8,728,149	8,727,810	8,368,210	8,582,751	8,420,148	8,618,050
	679,361	997,751	955,889	964,767	960,431	926,077
	1,596,567	1,029,882	848,817	1,287,637	1,304,365	897,753
	1,095,380	1,534,117	1,620,921	1,366,506	929,267	1,129,378
	770,218	597,735	588,435	614,440	626,454	613,020
	64,144	42,758	55,032	55,108	61,384	64,775
	697,734	944,556	1,331,645	2,234,305	1,778,871	1,382,029
	53,474	45,679	119,591	283,542	263,673	551,581
	15,138	16,540	18,854	23,503	32,081	42,434
	<u>17,094,316</u>	<u>17,173,878</u>	<u>16,977,053</u>	<u>19,325,148</u>	<u>17,656,228</u>	<u>17,329,111</u>
	1,980,438	628,300	(442,947)	(1,576,759)	(1,117,644)	(182,282)
	-	14,173	20,357	48,245	8,834	-
	-	-	-	-	-	167,839
	-	-	-	-	-	-
	1,206,019	1,056,630	890,824	975,197	823,331	1,734,266
	(1,206,019)	(1,056,630)	(890,824)	(975,197)	(823,331)	(1,187,377)
	<u>-</u>	<u>14,173</u>	<u>20,357</u>	<u>48,245</u>	<u>8,834</u>	<u>714,728</u>
	(68,270)	-	-	-	-	-
\$	<u>1,912,168</u>	<u>642,473</u>	<u>\$ (422,590)</u>	<u>\$ (1,528,514)</u>	<u>\$ (1,108,810)</u>	<u>\$ 532,446</u>
\$	1,076,787	\$ 646,138	\$ 1,087,878	\$ 2,153,633	\$ 1,625,458	\$ 1,189,258
	0.43%	0.38%	0.87%	1.79%	1.84%	3.68%

**CITY OF ALLIANCE, OHIO**

**INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS**

<b>Tax Year (1)</b>	<b>Individual</b>		<b>Total Individual</b>	<b>Business</b>	<b>Total</b>	<b>Tax Rate</b>
	<b>Withholding</b>	<b>Non-withholding</b>				
2023	\$ 9,818,587	\$ 1,522,102	\$ 11,340,689	\$ 2,124,415	13,465,104	2.00%
2022	9,564,408	1,616,777	11,181,185	2,519,861	13,701,046	2.00%
2021	8,966,427	1,395,778	10,362,205	1,629,155	11,991,360	2.00%
2020	7,969,484	1,375,886	9,345,369	886,809	10,232,179	2.00%
2019	8,223,459	1,489,420	9,712,879	1,240,004	10,952,883	2.00%
2018	8,106,422	1,349,692	9,456,114	1,201,548	10,657,662	2.00%
2017	7,945,320	1,360,127	9,305,447	985,722	10,291,169	2.00%
2016	8,960,233	927,033	9,887,266	1,490,436	11,377,702	2.00%
2015	8,065,388	1,474,251	9,539,640	1,116,699	10,656,339	2.00%
2014	8,049,056	1,443,002	9,492,058	1,470,963	10,963,021	2.00%

**Source:** City of Alliance Income Tax Department.

**Note:** The City is prohibited by statute from presenting information regarding individual taxpayers.

(1) Amounts reported above are on the cash basis of accounting.

**CITY OF ALLIANCE, OHIO**

**INCOME TAX WITHHOLDINGS BY SECTOR  
LAST TEN YEARS**

<b>Sector</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Industrial	51%	50%	51%	45%	43%	43%	45%	48%	47%	47%
Medical	11%	15%	13%	18%	18%	17%	18%	17%	17%	17%
Education	13%	14%	13%	15%	15%	14%	14%	13%	13%	12%
Retail	9%	6%	7%	6%	7%	7%	6%	5%	6%	6%
Service	5%	5%	5%	5%	5%	6%	5%	5%	5%	5%
Food/Restaurant	3%	3%	3%	3%	4%	3%	3%	4%	4%	3%
Carnation Mall Area	4%	3%	4%	4%	3%	4%	5%	4%	4%	4%
Financial	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Construction	1%	1%	1%	1%	2%	2%	1%	1%	1%	1%
Other	1%	1%	1%	1%	1%	2%	1%	1%	1%	3%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

**Source:** City of Alliance Income Tax Department.

**CITY OF ALLIANCE, OHIO**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN YEARS**

Year	Governmental Activities				Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds/Notes	OPWC Loans	SIB Loans	Leases	General Obligation Bonds	Revenue Bonds	OWDA Loans	OPWC Loans	Leases			
2023	\$ -	\$ 266,667	\$ -	\$ 40,575	\$ 565,080	\$ -	\$ 15,222,830	\$ 1,137,271	\$ 7,442	17,239,865	3.46%	795
2022	-	280,002	23,928	11,445	625,090	-	10,264,411	1,228,175	9,425	12,442,476	2.50%	574
2021	-	293,335	47,153	19,310	685,100	-	7,294,139	1,319,076	-	9,658,113	2.11%	446
2020	-	306,668	69,697	-	745,111	-	6,731,394	1,421,735	-	9,274,605	2.36%	412
2019	-	320,001	91,579	-	805,121	1,447,258	6,967,255	1,515,303	-	11,146,517	2.84%	495
2018	-	340,001	112,820	-	860,131	2,840,553	6,382,842	1,626,088	-	12,162,435	3.10%	540
2017	-	353,334	133,437	-	915,141	4,178,848	4,918,213	1,436,678	-	11,935,651	3.04%	530
2016	75,000	366,667	153,449	-	970,151	5,467,143	744,614	1,516,768	-	9,293,792	2.37%	413
2015	315,000	380,000	167,839	-	1,025,161	6,715,438	-	1,596,858	-	10,200,296	2.60%	453
2014	555,000	393,333	167,839	-	1,080,171	7,923,733	-	1,581,084	-	11,701,160	2.98%	520

Source: City financial records.

Notes: See the Demographics and Economic Statistics table for population and personal income data. The City implemented GASB 87 in 2022.

**CITY OF ALLIANCE, OHIO**

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

Year	Population (1)	Assessed Value of Taxable Property (2)	Bonded Debt Outstanding			Ratio of Net Bonded Debt to Assessed Value of Taxable Property	Net Bonded Debt Per Capita
			Gross Bonded Debt (3)	Debt Service Available Balance	Net Bonded Debt		
2023	21,672	\$ 373,398,310	\$ 565,080	\$ 43,850	\$ 521,230	0.14%	24.05
2022	21,672	373,221,140	625,090	43,850	581,240	0.16%	26.82
2021	21,672	325,043,390	685,100	43,850	641,250	0.20%	29.59
2020	22,522	325,394,320	745,111	43,850	701,261	0.22%	31.14
2019	22,522	328,137,090	805,121	43,850	761,271	0.23%	33.80
2018	22,522	285,398,790	860,131	43,850	816,281	0.29%	36.24
2017	22,522	280,881,810	915,141	43,850	871,291	0.31%	38.69
2016	22,522	280,881,810	1,045,151	43,850	1,001,301	0.36%	44.46
2015	22,522	278,005,220	1,340,161	126,550	1,213,611	0.44%	53.89
2014	22,522	264,521,390	1,635,171	396,305	1,238,866	0.47%	55.01

**Sources:**

(1) U.S. Census Bureau - 2014-2020 from 2010 Federal Census;  
U.S. Census Bureau - 2021-2023 from 2020 Federal Census

(2) County Auditor.

**Note:** (3) Includes all general obligation bonded debt with the exception of special assessment debt.

**CITY OF ALLIANCE, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2023**

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to City</u>
<b>Direct - City of Alliance</b>			
OPWC loans	\$ 266,667	100.00%	\$ 266,667
Leases	450,575	100.00%	450,575
	<u>717,242</u>		<u>717,242</u>
<b>Overlapping debt:</b>			
Alliance City Schools	20,000	87.22%	17,444
Marlington Local School District	86,353	19.02%	16,424
Stark County	11,630,089	3.67%	426,824
Mahoning County	24,090,000	0.01%	2,409
	<u>35,826,442</u>		<u>463,101</u>
Total direct and overlapping debt	<u>\$ 36,543,684</u>		<u>\$ 1,180,343</u>

**Source:** Ohio Municipal Advisory Council.

**Note:** (1) Percentages were determined by dividing the overlapping subdivision's assessed valuation within the City by its total valuation.



**CITY OF ALLIANCE, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total assessed property value	\$ 373,398,310	\$ 373,221,140	\$ 325,043,390	\$ 325,394,320
Overall legal debt limit (10 1/2 % of assessed valuation)	<u>39,206,823</u>	<u>39,188,220</u>	<u>34,129,556</u>	<u>34,166,404</u>
Debt outstanding:				
General obligation bonds	-	-	-	-
SIB loans	-	23,928	47,153	69,697
Enterprise general obligation bonds	565,080	625,090	685,100	745,111
OPWC loans	1,403,938	1,508,177	1,612,411	1,421,735
Revenue bonds	-	-	-	-
Total gross indebtedness	<u>1,969,018</u>	<u>2,157,195</u>	<u>2,344,664</u>	<u>2,236,543</u>
Less:				
SIB loans	-	23,928	47,153	69,697
Enterprise general obligation bonds	565,080	625,090	685,100	745,111
OPWC loans	1,403,938	1,508,177	1,612,411	1,421,735
Revenue bonds	-	-	-	-
Total net debt applicable to debt limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin within 10 1/2 % limitation	<u>\$ 39,206,823</u>	<u>\$ 39,188,220</u>	<u>\$ 34,129,556</u>	<u>\$ 34,166,404</u>
Legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%
Unvoted debt limitation (5 1/2 % of assessed valuation)	<u>\$ 20,536,907</u>	<u>\$ 20,527,163</u>	<u>\$ 17,877,386</u>	<u>\$ 17,896,688</u>
Total gross indebtedness	1,969,018	2,157,195	2,344,664	2,236,543
Less:				
SIB loans	-	23,928	47,153	69,697
Enterprise general obligation bonds	565,080	625,090	685,100	745,111
OPWC loans	1,403,938	1,508,177	1,612,411	1,421,735
Revenue bonds	-	-	-	-
Net debt within 5 1/2 % limitations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted legal debt margin within 5 1/2 % limitations	<u>\$ 20,536,907</u>	<u>\$ 20,527,163</u>	<u>\$ 17,877,386</u>	<u>\$ 17,896,688</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	100.00%	100.00%	100.00%	100.00%

**Source:** City financial records.

**Note:** Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 328,137,090	\$ 285,398,790	\$ 280,881,810	\$ 278,005,220	\$ 264,521,390	\$ 259,506,760
<u>34,454,394</u>	<u>29,966,873</u>	<u>29,492,590</u>	<u>29,190,548</u>	<u>27,774,746</u>	<u>27,248,210</u>
-	-	-	75,000	315,000	555,000
91,579	112,820	133,437	153,449	167,839	167,839
805,121	860,131	915,141	970,151	1,025,161	1,080,171
1,515,303	1,626,088	1,790,012	1,883,435	1,976,858	1,974,417
1,447,258	2,840,553	4,178,848	5,467,143	6,715,438	7,923,733
<u>3,859,261</u>	<u>5,439,592</u>	<u>7,017,438</u>	<u>8,549,178</u>	<u>10,200,296</u>	<u>11,701,160</u>
91,579	112,820	133,437	153,449	167,839	167,839
805,121	860,131	915,141	970,151	1,025,161	1,080,171
1,515,303	1,626,088	1,790,012	1,883,435	1,976,858	1,974,417
1,447,258	2,840,553	4,178,848	5,467,143	6,715,438	7,923,733
-	-	-	75,000	315,000	555,000
<u>\$ 34,454,394</u>	<u>\$ 29,966,873</u>	<u>\$ 29,492,590</u>	<u>\$ 29,115,548</u>	<u>\$ 27,459,746</u>	<u>\$ 26,693,210</u>
100.00%	100.00%	100.00%	99.74%	98.87%	97.96%
\$ 18,047,540	\$ 15,696,933	\$ 15,448,500	\$ 15,290,287	\$ 14,548,676	\$ 14,272,872
3,859,261	5,439,592	7,017,438	8,549,178	10,200,296	11,701,160
91,579	112,820	133,437	153,449	167,839	-
805,121	860,131	915,141	970,151	1,025,161	1,080,171
1,515,303	1,626,088	1,790,012	1,883,435	1,976,858	1,974,417
1,447,258	2,840,553	4,178,848	5,467,143	6,715,438	7,923,733
-	-	-	75,000	315,000	722,839
<u>\$ 18,047,540</u>	<u>\$ 15,696,933</u>	<u>\$ 15,448,500</u>	<u>\$ 15,215,287</u>	<u>\$ 14,233,676</u>	<u>\$ 13,550,033</u>
100.00%	100.00%	100.00%	99.51%	97.83%	94.94%

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**CITY OF ALLIANCE, OHIO**  
**PLEDGED REVENUE COVERAGE**  
**WATER REVENUE BONDS**  
**LAST TEN YEARS**

<u>Year</u>	<u>Operating Revenues</u>	<u>Direct Operating Expenses (1)</u>	<u>Cash and cash equivalents with fiscal agent</u>	<u>Net Revenues Available for Debt Service</u>	<u>Debt Service</u>		<u>Coverage (2)</u>
					<u>Principal</u>	<u>Interest</u>	
2023	\$ 5,527,352	\$ 5,758,975	\$ -	\$ (231,623)	\$ -	\$ -	N/A
2022	5,758,653	4,253,930	-	1,504,723	-	-	N/A
2021	5,463,255	3,402,091	-	2,061,164	-	-	N/A
2020	5,547,357	3,648,940	4	1,898,421	1,440,000	57,600	1.27
2019	5,682,228	3,816,124	1,680,352	3,546,456	1,385,000	113,000	2.37
2018	5,692,737	4,273,708	1,695,753	3,114,782	1,330,000	166,200	2.08
2017	5,026,836	4,419,831	1,679,224	2,286,229	1,280,000	214,200	1.53
2016	5,336,229	4,223,454	1,226,707	2,339,482	1,240,000	257,600	1.56
2015	5,244,227	3,245,642	1,678,905	3,677,490	1,200,000	299,600	2.45
2014	5,027,585	3,406,534	1,678,985	3,300,036	1,160,000	338,750	2.20

**Source:** City financial records.

**Notes:**

(1) Direct operating expenses do not include depreciation and amortization expense.

(2) The water revenue bonds were retired during 2020.

Net Revenue Available for Debt Service is computed by subtracting direct operating expenses from operating revenues for the reporting period. The Net Revenue Available for Debt Service also includes restricted cash held by a fiscal agent to meet the Rate Covenant as described in the Trust Agreement.

**CITY OF ALLIANCE, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Stark County Unemployment Rate (3)</u>
2023	21,672	\$ 497,957,544	\$ 22,977	\$ 44,862	35.9	3.3%
2022	21,672	497,957,544	22,977	44,862	35.9	3.2%
2021	21,672	456,737,400	21,075	36,883	35.9	3.6%
2020	22,522	392,490,894	14,427	32,048	35.9	5.2%
2019	22,522	392,490,894	14,427	32,048	35.9	4.5%
2018	22,522	392,490,894	17,427	32,048	35.9	4.9%
2017	22,522	392,490,894	17,427	32,048	35.9	5.2%
2016	22,522	392,490,894	17,427	32,048	35.9	6.4%
2015	22,522	392,490,894	17,427	32,048	35.9	6.4%
2014	22,522	392,490,894	17,427	32,048	35.9	4.5%

**Sources:**

(1) U.S. Census Bureau - 2014-2020 from 2010 Federal Census;  
U.S. Census Bureau - 2021-2023 from 2020 Federal Census

(3) Ohio Department of Job and Family Services labor market information, annual average.

**Notes:**

(2) Computation of per capita personal income multiplied by population.

Unemployment rate information is not available for the City; therefore, the Stark County rate is disclosed.

**CITY OF ALLIANCE, OHIO**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<b>December 31, 2023</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage Employment</b>
University of Mount Union	1,473	1	13.39%
Alliance Comm Hospital	988	2	8.98%
Alliance City Schools	762	3	6.93%
Coastal Pet Products	560	4	5.09%
Walmart Associates	480	5	4.36%
Mac Trailer	410	6	3.73%
City of Alliance	334	7	3.04%
Alliance Tubular Products LLC	268	8	2.44%
Morgan Acquisitions Inc	155	9	1.41%
Alliance Community Medical	79	10	0.72%
<b>Total</b>	<b>5,509</b>		<b>50.09%</b>
<b>Total City Employment (1)</b>	<b>11,000</b>		

<b>December 31, 2014</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total</b>
University of Mount Union	1,733	1	16.47%
Alliance Community Hospital	1,105	2	10.50%
Coastal Pet Products	932	3	8.86%
Alliance City Schools	822	4	7.81%
Walmart Associates	500	5	4.75%
Alliance Castings	342	6	3.25%
Alliance Tubular Products LLC	342	7	3.25%
City of Alliance	324	8	3.08%
MAC Trailer	299	9	2.84%
Terry's Tire Town	246	10	2.34%
<b>Total</b>	<b>6,645</b>		<b>63.15%</b>
<b>Total City Employment (1)</b>	<b>10,524</b>		

**Source:** City of Alliance Income Tax Department & U.S. Department of Labor.

**Notes:**

(1) Total City Employment is estimated by the City.

**CITY OF ALLIANCE, OHIO**

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2023	2022	2021	2020
<b>General Government</b>				
<b>Council and clerk</b>				
Number of ordinances passed	86	76	72	84
Number of resolutions passed	6	11	10	11
Number of planning commission docket items	36	37	24	34
Zoning board of appeals docket items	12	20	28	18
<b>Finance Department</b>				
Number of checks/vouchers issued	4,106	4,144	4,414	4,198
Number of payroll checks issued (1)	8,732	8,586	8,415	8,223
Interest earnings for fiscal year				
(cash basis, includes water & sewer)	\$ 711,221	\$ 303,835	\$ 192,848	\$ 322,116
Number of receipts issued	2,206	2,342	2,256	2,072
Number of journal entries issued	966	920	335	337
Number of budget adjustments issued	25	42	33	27
Agency ratings - Moody's Financial Services	A2	A2	A2	A2
Health insurance costs- Medical	\$ 2,381,960	\$ 2,484,999	\$ 2,346,072	\$ 2,147,362
Health insurance costs- Dental	\$ 107,042	\$ 99,360	\$ 97,511	\$ 86,056
Health insurance costs- Vision	\$ 13,930	\$ -	\$ -	\$ -
Health insurance costs- Administration	\$ 739,138	\$ 608,841	\$ 605,067	\$ 585,718
Health insurance total	\$ 3,242,070	\$ 3,193,199	\$ 3,048,651	\$ 2,819,136
General fund receipts (budgetary-basis)	\$ 13,541,537	\$ 13,701,968	\$ 11,894,380	\$ 12,754,306
General fund expenditures (budgetary-basis)	\$ 11,668,427	\$ 11,312,473	\$ 11,635,807	\$ 9,733,338
General fund cash balance	\$ 4,765,740	\$ 3,773,448	\$ 2,346,903	\$ 3,069,464
<b>Income Tax Department</b>				
Number of individual returns	6,316	6,453	6,752	6,647
Number of business returns	1,307	1,294	1,423	1,262
Number of business withholding accounts	12,882	12,159	10,802	10,176
Annual number of corporate withholding forms processed	5,110	4,387	4,235	4,175
Annual number of estimated payment forms processed	3,176	3,123	3,216	3,353
Annual number of reconciliation of withholdings processed	3,520	3,480	3,456	3,423
<b>Engineer Contracted Services</b>				
Private construction overseen/inspected	\$ 4,371,653	\$ 491,816	\$ 1,890,328	\$ 577,955
<b>Municipal Court</b>				
Number of civil cases filed	1,275	1,184	1,108	1,019
Number of criminal cases filed	1,497	1,918	1,810	1,808
Number of traffic cases filed	2,161	3,007	2,931	2,370
Total cases filed	4,933	6,109	5,849	5,197
Number of civil cases disposed	1,182	1,122	1,063	1,101
Number of criminal cases disposed	1,615	2,080	1,847	1,863
Number of traffic cases disposed	2,280	3,057	2,975	2,379
Total cases disposed	5,077	6,259	5,885	5,343
<b>Vital Statistics</b>				
Certificates filed	308	376	429	436
Number of births (2)	6	10	-	-
Number of deaths	308	366	429	436
Certificates issued	2,705	3,128	3,723	3,264
Burial permits issued	n/a	n/a	501	n/a

2019	2018	2017	2016	2015	2014
73	62	61	69	69	80
9	12	8	13	2	6
30	37	26	35	32	11
8	13	17	32	22	22
4,180	4,184	4,012	4,188	3,961	3,593
9,102	9,142	7,830	2,126	2,242	2,577
\$ 316,160	\$ 206,284	\$ 180,622	\$ 127,697	\$ 104,325	\$ 14,844
2,500	2,495	2,633	289	292	284
224	173	251	283	201	212
28	40	32	15	20	29
A2	A2	A2	A2	A1	Aaa
\$ 2,345,207	\$ 1,862,967	\$ 1,897,930	\$ 2,227,464	\$ 2,283,972	\$ 1,759,447
\$ 113,205	\$ 111,442	\$ 106,401	\$ 116,824	\$ 111,121	\$ 124,595
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 483,822	\$ 509,462	\$ 495,409	\$ 455,148	\$ 368,918	\$ 358,408
\$ 2,942,234	\$ 2,483,871	\$ 2,499,740	\$ 2,799,436	\$ 2,764,011	\$ 2,242,450
\$ 12,852,232	\$ 12,157,619	\$ 11,533,809	\$ 12,057,771	\$ 11,796,835	\$ 11,713,463
\$ 10,919,501	\$ 10,927,448	\$ 10,941,075	\$ 11,585,501	\$ 12,361,924	\$ 10,870,256
\$ 1,390,089	\$ 445,233	\$ 230,043	\$ 373,777	\$ 651,973	\$ 1,197,685
7,079	7,266	7,809	8,045	8,418	8,372
1,247	1,281	1,328	1,389	1,259	1,224
10,293	9,771	9,438	9,238	4,459	4,683
4,080	4,324	3,523	3,447	3,422	3,612
2,584	1,048	2,700	2,851	2,735	2,898
3,572	5,204	3,621	3,608	3,925	3,612
n/a	\$ 809,350	\$ 897,129	\$ 931,250	\$ 857,900	\$ 1,056,500
1,494	1,443	1,317	1,290	1,389	1,476
2,069	1,943	1,547	2,237	1,995	2,042
3,234	3,475	2,285	3,407	4,544	5,528
6,797	6,861	5,149	6,934	7,928	9,046
1,414	1,410	1,204	1,324	1,396	1,453
2,136	2,022	1,667	2,307	2,058	2,127
3,245	3,523	2,350	3,462	4,581	5,537
6,795	6,955	5,221	7,093	8,035	9,117
345	336	314	459	714	694
-	-	-	140	387	385
345	336	314	319	309	309
3,383	2,993	2,942	2,877	3,176	3,172
363	398	364	n/a	323	365



**CITY OF ALLIANCE, OHIO**

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)  
LAST TEN YEARS

Function/Program	2023	2022	2021	2020
<b>Civil Service</b>				
Number of police entry tests administered	2	-	-	1
Number of fire entry tests administered	-	1	1	-
Number of police promotional tests administered	1	3	-	-
Number of fire promotional tests administered	-	1	2	-
Number of hires of police officers from certified lists	1	1	4	-
Number of hires of fire/medics from certified lists	5	3	1	-
Number of promotions from police certified lists	5	6	-	-
Number of promotions from fire certified lists	1	5	2	-
<b>Building Department Indicators</b>				
Construction permits issued	166	162	114	117
Estimated value of construction	\$ 2,971,200	\$ 2,984,676	\$ 3,809,683	\$ 8,530,358
Number of permits issued	790	824	460	847
Amount of revenue generated from permits	\$ 82,796	\$ 83,563	\$ 70,582	\$ 96,084
Number of contract registrations issued	324	294	305	299
<b>Security of Persons &amp; Property</b>				
<b>Police</b>				
Total calls for services	23,049	31,629	32,927	33,948
Number of traffic citations issued	1,753	2,818	3,003	2,359
Number of parking citations issued	200	305	312	345
Number of criminal arrests	2,641	3,601	3,134	3,226
Number of accident reports completed	557	482	480	405
Felony offenses (F1-F5)	571	739	728	734
Misdemeanor offenses (M1-MM)	2,084	2,862	2,406	2,492
Police dept. auxiliary hours worked	400	362	317	207
DUI arrests	88	149	163	198
Prisoners	889	1,152	894	1,183
Motor vehicle accidents	557	482	480	405
Property damage accidents	557	482	480	405
Fatalities from motor vehicle accidents	2	-	1	-
Gasoline costs of fleet	\$ 91,827	\$ 104,119	\$ 83,195	\$ 64,145
Community diversion program - community service hours	4,457	n/a	5,841	n/a
<b>Fire</b>				
EMS/Rescue calls	2,714	2,531	2,275	982
Structure fires	33	29	21	29
Fires other than structure	27	51	55	65
Other fire calls (electrical, smoke/odor, hazardous mat.)	27	-	692	461
Total calls for services	2,801	2,611	3,043	1,537
Fire with loss	38	37	35	54
Fires with losses exceeding \$10,000	7	10	6	6
Fire losses	\$ 432,515	\$ 349,255	\$ 348,262	\$ 225,650
Fire safety inspections	446	254	150	161
Number of times mutual aid given to fire and EMS	20	19	5	8
Number of times mutual aid received for fire and EMS	18	7	8	4
Fire department receipts from fees & permits	n/a	n/a	n/a	n/a
Fire department total receipts	n/a	n/a	n/a	n/a
<b>Public Health and Welfare</b>				
Number of health inspections	n/a	n/a	740	749
Cemetery burials	45	49	48	51
Cemetery cremations	31	24	27	44
Cemetery sale of lots	38	52	44	67
Cemetery receipts	\$ 56,860	\$ 74,240	\$ 70,240	\$ 71,260

2019	2018	2017	2016	2015	2014
-	-	1	-	1	-
1	-	1	-	1	-
-	-	2	1	1	2
-	-	-	-	1	1
3	2	1	2	3	4
6	3	-	1	2	1
-	-	4	1	3	-
-	4	-	-	3	-
170	223	242	260	252	278
\$ 13,514,943	\$ 11,917,227	\$ 8,425,614	\$ 12,082,854	\$ 14,100,000	\$ 18,635,280
1,148	1,071	999	939	967	894
\$ 14,769	\$ 120,933	\$ 104,138	\$ 105,491	\$ 103,103	\$ 86,670
322	349	308	272	253	290
<hr/>					
35,953	48,493	57,259	59,871	58,286	66,082
2,556	2,959	1,345	2,444	4,268	6,188
321	333	87	128	505	166
3,341	3,671	3,057	4,697	3,843	3,248
458	535	515	578	572	567
807	691	536	423	641	668
2,534	2,980	1,836	1,729	2,465	2,580
586	535	820	844	834	1,230
108	124	125	171	141	220
745	764	1,863	2,413	2,063	2,056
458	535	543	578	834	587
458	535	543	99	817	587
-	1	-	2	1	-
\$ 76,184	\$ 76,352	\$ 70,038	\$ 65,464	\$ 76,952	\$ 127,200
n/a	n/a	n/a	n/a	n/a	n/a
911	1,881	2,209	2,184	2,337	2,311
31	23	20	32	35	40
50	46	55	46	49	46
489	734	767	729	719	645
1,481	2,684	3,059	3,021	3,150	3,042
54	31	32	51	47	55
9	12	5	9	9	10
\$ 1,528,530	\$ 329,520	\$ 138,420	\$ 710,007	\$ 477,490	\$ 325,149
487	416	1,069	1,045	1,217	1,090
3	5	2	6	8	16
3	4	8	3	2	4
\$ 15,080	\$ 14,745	\$ 605	\$ 820	\$ 1,040	\$ 630
\$ 24,773	\$ 14,745	\$ 5,349	\$ 820	\$ 5,418	\$ 3,374
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1,069	747	n/a	1,009	678	633
40	37	37	46	53	59
28	24	32	18	34	17
42	36	n/a	74	75	35
\$ 60,355	\$ 46,880	\$ 52,350	\$ 48,782	\$ 62,855	\$ 58,665

**CITY OF ALLIANCE, OHIO**

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)  
LAST TEN YEARS

Function/Program	2023	2022	2021	2020
<b>Leisure Time Activities</b>				
<b>Recreation</b>				
Recreation mens & womens league receipts	\$ -	\$ -	\$ -	\$ -
Cabin rentals	\$ 43,275	\$ 34,991	\$ 15,005	\$ 5,845
Robertson community center facility rentals	\$ 19,550	\$ 19,500	\$ 3,275	\$ 10,425
Robertson community center swimming pool receipts	\$ 38,903	\$ 36,338	\$ -	\$ -
Total recreation department receipts	\$ 101,728	\$ 90,829	\$ 18,280	\$ 16,270
<b>Basic Utility Services</b>				
Refuse disposal per year (in tons) January - December	8,932	8,824	9,472	8,861
Refuse disposal costs per year January - December	\$ 1,033,793	\$ 998,241	\$ 1,348,977	\$ 1,309,880
Annual recycling tonnage (excluding leaf and compost)	1,108	1,081	1,134	749
Percentage of waste recycled	12.40%	12.25%	11.97%	8.45%
<b>Transportation</b>				
Total area within corporation limit (square miles)	8,677	8,677	8,677	8,677
Total area within Stark County (square miles)	8.600	8.600	8.600	8.600
Total area within Mahoning County (square miles)	0.077	0.077	0.077	0.077
Total dedicated streets (miles)	106.462	106.462	106.462	106.462
Total paved street (miles)	79.343	79.343	79.343	79.343
Total unpaved street (miles)	27.119	27.119	27.119	27.119
Total number of street intersections	735	735	735	735
Street repair (curb, apron, berms, asphalt) (hours)	5,800	4,750	5,300	7,140
Guardrail repair (hours)	-	-	-	-
Paint striping (hours)	550	96	1,325	410
Street sweeper (hours)	440	345	386	135
Cold patch (hours)	2,300	1,800	1,650	1,800
Snow and ice removal regular hours	670	1,725	1,725	1,245
Snow and ice removal overtime hours	197	1,252	368	574
Tons of snow melting salt purchased (Nov-Mar)	571	1,233	1,075	900
Cost of salt purchased	\$ 30,514	\$ 58,853	\$ 76,871	\$ 66,816
Sewer and sanitary calls for service	n/a	n/a	n/a	n/a
After hours sewer calls (hours)	n/a	n/a	n/a	n/a
Sewer crew (hours)	n/a	n/a	n/a	n/a
Sewer jet, vac-all, other services (hours)	n/a	n/a	n/a	n/a
Landscaping, stump-chipper service (hours)	31	14	25	201
Leaf collection (hours)	1,648	1,516	1,540	1,142
Sign department (hours)	315	230	320	500
<b>Water Department</b>				
Water rates per 1st 300 Cu. ft. of water used (inside City rate)	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36
Water rates per 1st 300 Cu. ft. of water used (outside City rate)	\$ 11.13	\$ 11.13	\$ 11.13	\$ 11.13
Avg. number of water accounts billed monthly (Cu. Ft.)	9,902	9,896	9,727	9,744
Total water collections annually (including P&I)	\$ 5,694,298	\$ 5,568,518	\$ 5,545,663	\$ 6,373,484
Payments for bulk water purchases	\$ 38,643	\$ 47,052	\$ 61,356	\$ 90,154
<b>Wastewater Department</b>				
Wastewater rates per 1st 300 Cu. ft. of water used (inside City rate)	\$ 4.06	\$ 3.94	\$ 3.86	n/a
Wastewater rates per 1st 300 Cu. ft. of water used (outside City rate)	\$ 4.41	\$ 4.28	\$ 4.20	\$ 4.20
Total flow of wastewater treatment plant (billions of gallons)	0.68	0.86	1.80	1.71
Average daily flow (millions of gallons per day)	4.40	5.28	5.00	4.70
Tons of dry sludge removed	3,166	1,207	1,359	912

**Source:** Various City of Alliance departments.

**Notes:** (1) Beginning in 2017, this figure includes direct deposit checks.  
(2) The Alliance Community Hospital ceased its birth center operations in 2016.

2019	2018	2017	2016	2015	2014
\$ -	\$ -	\$ -	\$ 760	\$ -	\$ 1,115
\$ 21,630	\$ 19,200	\$ 18,905	\$ 23,055	\$ 18,920	\$ 30,565
\$ 13,574	\$ 14,165	\$ 12,458	\$ 11,463	\$ 11,284	\$ 12,343
\$ 36,232	\$ 33,866	\$ 35,730	\$ 42,886	\$ 33,643	\$ 34,976
\$ 71,436	\$ 67,231	\$ 67,093	\$ 78,163	\$ 63,847	\$ 78,999
8,754	8,092	7,353	7,974	6,828	8,095
\$ 1,361,088	\$ 1,130,991	\$ 904,490	\$ 859,771	\$ 863,604	\$ 836,118
958	998	651	559	583	730
10.94%	12.33%	8.85%	7.00%	8.54%	9.02%
8,677	8,677	8,677	8,677	8,677	8,677
8,600	8,600	8,600	8,600	8,600	8,600
0.077	0.077	0.077	0.077	0.077	0.077
106.462	106.462	106.462	106.462	106.462	106.462
79.343	79.343	79.343	79.343	79.343	79.343
27.119	27.119	27.119	27.119	27.119	27.119
735	735	735	735	735	735
4,860	5,160	6,915	3,305	5,120	3,695
-	-	-	3	-	-
1,380	1,110	310	462	640	932
402	1,314	409	213	623	485
2,500	2,812	409	2,845	3,840	3,453
2,640	2,412	2,563	3,012	3,915	3,820
785	600	384	714	882	834
631	2,079	1,603	2,300	2,742	2,990
\$ 46,845	\$ 123,696	\$ 65,825	\$ 90,137	\$ 153,970	\$ 82,209
26	18	n/a	51	84	86
8	48	n/a	14	57	75
11,315	13,636	n/a	21,005	21,490	18,391
n/a	n/a	n/a	1,101	1,359	1,280
175	56	131	101	193	89
1,655	2,176	811	1,445	1,474	1,481
920	882	1,568	1,782	1,165	943
\$ 6.36	\$ 6.36	\$ 6.35	\$ 5.99	\$ 5.82	\$ 5.65
\$ 11.13	\$ 11.13	\$ 11.13	\$ 10.49	\$ 10.18	\$ 9.89
9,740	9,752	9,780	9,703	9,640	9,846
\$ 5,729,395	\$ 5,767,277	\$ 5,337,028	\$ 5,400,479	\$ 5,175,035	\$ 5,014,397
\$ 51,684	\$ 79,604	\$ 31,371	\$ 47,276	\$ 29,615	\$ 20,394
\$ 3.74	\$ 3.74	\$ 3.67	\$ 3.46	\$ 3.36	\$ 3.20
\$ 4.06	\$ 4.06	\$ 3.99	\$ 3.76	\$ 3.65	\$ 3.48
1.60	1.72	1.46	1.42	1.90	1.93
4.40	4.80	4.00	3.90	5.20	5.30
1,884	1,977	1,294	730	840	993

**CITY OF ALLIANCE, OHIO**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

<b>Function/Program</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>General Government</b>										
Square footage occupied	57,231	57,231	57,231	57,231	57,231	57,231	57,231	57,231	57,321	57,321
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600
Vehicles	43	43	43	43	43	43	43	43	42	45
<b>Fire</b>										
Stations	2	2	2	2	2	2	2	2	2	2
Square footage of building	13,351	13,351	13,351	13,351	13,351	13,351	13,351	13,351	13,351	13,351
Vehicles	10	10	10	10	10	10	10	10	10	10
<b>Recreation</b>										
Number of parks	24	24	24	24	24	24	24	24	24	24
Acres of parks	220	220	220	220	220	220	220	220	220	220
<b>Other Public Works</b>										
Streets	107	107	107	107	107	107	107	107	107	107
Traffic lights	39	39	39	39	39	39	39	39	39	39
<b>Wastewater</b>										
Sanitary sewers (miles)	119	119	119	119	119	119	119	119	119	119
Storm sewers (miles)	104	104	104	104	104	104	104	104	104	104
<b>Water Department</b>										
Water lines (miles)	120	120	120	120	120	120	120	120	120	120

Source: Various City of Alliance departments.

**CITY OF ALLIANCE, OHIO**

**FULL-TIME-EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS**

Function/Program	2023		2022		2021		2020		2019		2018		2017		2016		2015		2014
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	
<b>General Government</b>																			
Mayor	4.00	3.00	5.00	3.00	5.00	4.00	4.00	3.00	4.00	3.00	4.00	1.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00
Auditor	5.00	0.00	5.00	0.00	5.00	0.00	4.50	0.00	4.50	0.00	3.50	0.00	4.50	0.00	4.50	0.00	4.50	0.00	4.50
Law Director	3.00	2.00	3.00	2.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	4.00
Council	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	4.50
Judge	6.00	3.00	7.00	3.00	5.00	4.00	6.00	3.00	6.00	3.00	6.00	1.50	6.00	2.00	6.00	2.00	5.00	2.00	6.50
Clerk of Courts	8.00	0.00	8.00	0.00	8.00	0.00	8.00	0.00	8.00	0.00	8.00	0.00	7.00	1.00	7.00	1.00	7.00	1.00	7.50
Civil Service	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	2.00
Engineering	4.00	2.00	4.00	2.00	4.00	3.00	4.00	3.00	4.00	3.00	4.00	0.50	6.00	3.00	6.00	3.00	6.00	1.50	8.00
City Hall Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	2.00
Income Tax	3.00	0.00	3.00	0.00	3.00	0.00	3.00	0.00	3.00	0.00	2.50	1.00	2.50	1.00	2.50	1.00	3.50	0.00	3.50
Treasurer	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.50
Senior Center & Agency on Aging	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00
<b>Security of Persons and Property</b>																			
Police	37.00	1.00	37.00	2.00	37.00	0.00	37.00	0.00	37.00	3.00	37.00	3.00	37.00	3.00	40.00	3.00	40.00	3.00	41.00
Police - auxiliary/guards	0.00	17.00	0.00	18.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	20.00	11.00
Police - dispatchers/office/other	12.00	4.00	12.00	4.00	12.00	4.00	12.00	4.00	12.00	4.00	12.00	5.00	12.00	5.00	12.00	5.00	13.00	5.00	14.50
Fire	30.50	0.00	30.50	0.00	30.00	1.00	32.00	1.00	33.00	0.00	32.00	0.00	26.00	0.00	28.00	0.00	28.00	0.00	31.00
<b>Public Health Services</b>																			
Health	10.00	3.00	10.00	3.00	12.00	8.00	9.00	5.00	9.00	5.00	9.00	2.00	9.00	5.00	9.00	5.00	9.00	2.00	12.50
Cemetery	1.00	2.00	1.00	2.00	1.00	2.00	1.00	0.00	1.00	6.00	1.00	6.00	1.00	7.00	1.00	7.00	1.00	2.00	3.00
<b>Leisure Time Activities</b>																			
Parks and recreation	6.00	4.00	5.00	6.00	5.00	8.00	5.00	12.00	5.00	13.00	5.00	14.00	5.00	25.00	5.00	25.00	5.00	4.50	23.00
Litter	0.00	1.00	0.00	1.00	0.00	1.00	0.00	0.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	0.50	0.50
<b>Community Development</b>																			
Building (CDBG)	5.00	0.00	5.00	0.00	5.00	1.00	5.00	0.00	5.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	3.00	0.00	4.00
<b>Transportation</b>																			
Street maintenance & repair	11.50	0.00	11.50	0.00	11.00	4.00	11.00	7.00	11.00	6.00	11.00	3.00	11.00	1.00	11.00	1.00	12.00	0.00	12.00
<b>Basic Utility Services</b>																			
Sewer	23.00	1.50	23.00	1.50	22.00	4.00	23.00	6.00	24.00	7.00	24.00	5.00	23.00	0.25	23.00	0.25	28.00	0.00	28.50
Water	24.00	1.50	24.00	1.50	24.00	1.00	25.00	0.00	25.00	0.00	26.00	0.50	23.00	0.25	23.00	0.25	23.00	0.00	25.50
Billing and collection	3.00	3.00	3.00	3.00	3.00	3.00	5.00	3.00	5.00	3.00	5.00	2.00	8.00	0.00	8.00	0.00	6.00	0.00	5.50
<b>Total</b>	<b>198.00</b>	<b>63.00</b>	<b>199.00</b>	<b>67.00</b>	<b>196.00</b>	<b>85.00</b>	<b>198.50</b>	<b>85.00</b>	<b>200.50</b>	<b>95.00</b>	<b>198.00</b>	<b>83.50</b>	<b>193.00</b>	<b>92.50</b>	<b>198.00</b>	<b>92.50</b>	<b>202.00</b>	<b>62.50</b>	<b>260.00</b>

Source: City Payroll Department W-2 Audit Listing.

Note: In 2015, the City began accounting for full-time employees (FT) and part-time employees (PT) separately.

**CITY OF ALLIANCE**  
STARK COUNTY, OHIO

**SINGLE AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2023**

**CITY OF ALLIANCE  
STARK COUNTY, OHIO**

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CITY OF ALLIANCE  
STARK COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	ASSISTANCE LISTING NUMBER	PASSED THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed Through City of Canton Health Department</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	07620011WA1623	10.557	\$ -	\$ 101,498
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	07620011WA1724	10.557	-	28,396
<b>Total Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</b>			-	129,894
<b>Total U.S. Department of Agriculture</b>			-	129,894
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
<i>Direct</i>				
<b>CDBG - Entitlement Grants Cluster</b>				
Community Development Block Grants/Entitlement Grants	B-19-MC-39-0031	14.218	-	14,727
Community Development Block Grants/Entitlement Grants	B-22-MC-39-0031	14.218	163,987	496,740
Community Development Block Grants/Entitlement Grants	B-23-MC-39-0031	14.218	81,906	128,176
<b>Total CDBG - Entitlement Grants Cluster</b>			245,893	639,643
<b>Total U.S. Department of Housing and Urban Development</b>			245,893	639,643
<b>U.S. DEPARTMENT OF JUSTICE</b>				
<i>Passed Through the Ohio Department of Public Safety, Office of Criminal Justice Services</i>				
Edward Byrne Memorial Justice Assistance Grant Program	2021-JG-A03-6463E	16.738	-	13,776
<i>Direct</i>				
Equitable Sharing Program	OH0760100	16.922	-	4,500
<b>Total U.S. Department of Justice</b>			-	18,276
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<i>Passed Through the Ohio Department of Transportation</i>				
<b>Highway Planning and Construction</b>				
STA S Rockhill Ave (Alliance)	116894	20.205	-	385,107
<b>Total U.S. Department of Transportation</b>			-	385,107
<b>U.S. DEPARTMENT OF TREASURY</b>				
<i>Direct</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	COVID-19, SLFRP3765	21.027	-	5,910,854
<b>Total U.S. Department of Treasury</b>			-	5,910,854

(Continued)

**CITY OF ALLIANCE  
STARK COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	ASSISTANCE LISTING NUMBER	PASSED THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed Through Stark County Combined General Health District</i>				
Immunization Cooperative Agreements	07610012GV0223	93.268	-	8,903
Immunization Cooperative Agreements	07610012GV0324	93.268	-	2,372
COVID-19 - Immunization Cooperative Agreements - Vaccination Grant	COVID-19, 07610012CN0122	93.268	-	4,248
<b>Total Immunization Cooperative Agreements</b>			-	15,523
<i>Passed Through Stark County Combined General Health District</i>				
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - FY22 Enhanced Operations Grant	COVID-19, 07610012EO0222	93.323	-	3,074
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - FY23 Enhanced Operations Grant	COVID-19, 07610012EO0323	93.323	-	3,396
<b>Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)</b>			-	6,470
<i>Passed Through Stark County Combined General Health District</i>				
Public Health Crisis Response - FY22 Public Health Workforce Grant	07610012WF0122	93.354	-	70,420
Public Health Crisis Response - FY23 Public Health Workforce Grant	07610012WF0123	93.354	-	26,964
<i>Passed Through Ohio Department of Health</i>				
Public Health Crisis Response - FY23 Public Health Workforce Grant	07620022WF0123	93.354	-	40,550
<b>Total Public Health Crisis Response</b>			-	137,934
<i>Passed Through City of Canton Health Department</i>				
HIV Prevention Activities - Health Department Based	07620012HP0815	93.940	-	14,450
<i>Passed Through Stark County Combined General Health District</i>				
Preventive Health and Health Services Block Grant	07610014IC0523	93.991	-	750
Preventive Health and Health Services Block Grant	07610014IC0624	93.991	-	600
<b>Total Preventive Health and Health Services Block Grant</b>			-	1,350
<i>Passed Through City of Canton Health Department</i>				
Maternal and Child Health Services Block Grant to the States - FY24 Cribs for Kids Safe Sleep Grant	07610011CK0624	93.994	-	675
<b>Total U.S. Department of Health and Human Services</b>			-	176,402
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<i>Direct</i>				
Assistance to Firefighters Grant Program	EMW-2019-FG-04782	97.044	-	5,323
<i>Passed Through Ohio Emergency Management Agency</i>				
Homeland Security Grant Program	EMW-2022-SS-00058	97.067	-	35,137
<b>Total U.S. Department of Homeland Security</b>			-	40,460
<b>Total Expenditures of Federal Awards</b>			\$ 245,893	\$ 7,300,636

The accompanying notes are an integral part of this schedule.

**CITY OF ALLIANCE  
STARK COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Alliance (the “City”) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

**NOTE 2 – DE MINIMIS INDIRECT COST RATE**

The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 – SUBRECIPIENTS**

The City passes certain federal awards received from U.S. Department of Housing and Urban Development and the U.S. Department of Treasury to other governments or not-for-profit agencies (subrecipients). As Note 1 describes, the City reports expenditures of federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award’s performance goals.

**NOTE 4 – MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**NOTE 5 – REPORTING OF EXPENDITURES FOR GRANT DELIVERABLES**

The City receives certain Federal grant funds some of which are paid on what is known as the “deliverable” basis. Deliverable grants are grants where funds are received only after certain goals are achieved as opposed to reimbursements for expenditures incurred.

**NOTE 6 – OHIO DEPARTMENT OF HEALTH GRANTS**

Federal Funder: United States Department of Health and Human Services  
Pass-Thru Entity: Ohio Department of Health  
Grant Title: Public Health Crisis Response  
Federal AL Number: 93.354  
Project Number: 07620022WF0123  
Reimbursement Amount: \$40,550

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

City of Alliance  
Stark County  
504 East Main Street  
Alliance, Ohio 44601

To the Members of the City Council and Mayor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, Stark County, Ohio, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Alliance's basic financial statements, and have issued our report thereon dated June 25, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Alliance's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Alliance's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Alliance's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City of Alliance's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a significant deficiency.

City of Alliance

Stark County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Alliance's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City of Alliance's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Alliance's response to the finding identified in our audit and described in the accompanying corrective action plan. The City of Alliance's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Alliance's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Alliance's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.

June 25, 2024

**Independent Auditor’s Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance**

City of Alliance  
Stark County  
504 East Main Street  
Alliance, Ohio 44601

To the Members of Council and Mayor:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Alliance’s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Alliance’s major federal programs for the year ended December 31, 2023. The City of Alliance’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings.

In our opinion, the City of Alliance complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor’s Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City of Alliance and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Alliance’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Alliance’s federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Alliance's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Alliance's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Alliance's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Alliance's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Alliance's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings as item 2023-002. Our opinion on each major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Alliance's response to the noncompliance finding identified in our audit described in the accompanying schedule of findings. The City of Alliance's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

City of Alliance  
Stark County  
Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2023-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Alliance's response to the internal control over compliance finding identified in our audit described in the accompanying corrective action plan. The City of Alliance's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Alliance's basic financial statements. We issued our report thereon dated June 25, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.  
June 25, 2024



**CITY OF ALLIANCE  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2023**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material weaknesses in internal control reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	Yes
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR § 200.516(a)?</i>	Yes
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	<ul style="list-style-type: none"> <li>• Coronavirus State and Local Fiscal Recovery Funds – ALN 21.027</li> </ul>
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee 2 CFR § 200.520?</i>	Yes

<b>2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2023-001

Significant Deficiency - Financial Statement Presentation

Management is responsible for preparing complete and accurate financial statements in accordance with the applicable financial reporting framework. Control and monitoring activities typically associated with the period-end financial reporting process include reviewing and approving manual journal entries, consolidating entries, and any entries that are recorded directly to the financial statements. For the City, this could also include reviewing the year-end system reports to ensure activity is reported in the correct line items and fund balances are properly classified.

Adjustments were made to the financial statements to properly record significant transactions during the audit period.

City of Alliance

- The following adjustments to the Governmental Activities were necessary:
  - Decrease the Net Pension Asset by \$4,680.

**CITY OF ALLIANCE  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2023**

<b>2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)</b>
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Finding Number	2023-001 (Continued)
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- Decrease the Deferred Outflows of Resources – Pension by \$605,827.
- Decrease the Deferred Inflows of Resources – Pension by \$655.
- Decrease the Net Pension Liability by \$783,746.
- Decrease the Net Position-Restricted for: Pension/OPEB by \$4,680.
- Decrease the Deferred Outflows of Resources – OPEB by \$48,685.
- Decrease the Deferred Inflows of Resources – OPEB by \$3,970.
- Decrease the Net OPEB Liability by \$16,244.
- Decrease the Security of persons and property expense by \$21,842.
- Decrease the Public health and welfare expense by \$35,984.
- Decrease the Leisure time activities expense by \$13,198.
- Decrease the Community environment expense by \$6,470.
- Decrease the Basic utility service expense by \$1,017.
- Decrease the Transportation expense by \$14,674.
- Decrease the General government expense by \$52,238.

Alliance City Health Department

- The following adjustments to the Component Unit were necessary:
  - Increase the Net Pension Asset by \$4,680.
  - Increase the Deferred Outflows of Resources – Pension by \$329,337.
  - Decrease the Deferred Inflows of Resources – Pension by \$275,838.
  - Increase the Net Pension Liability by \$783,746.
  - Increase the Net Position-Restricted for: Pension/OPEB by \$4,680.
  - Increase the Deferred Outflows of Resources – OPEB by \$48,686.
  - Increase the Deferred Inflows of Resources – OPEB by \$3,972.
  - Increase the Net OPEB Liability by \$16,244.
  - Increase the expenses by \$145,421.

The financial statements and related notes have been adjusted to properly report the activity.

A lack of proper policies and procedures for control and monitoring activities associated with the period-end financial reporting process could lead to financial statement and note disclosure adjustments, which if uncorrected, could lead to a misrepresentation of the City’s activity.

We recommend the City implement additional control procedures that enable management to more timely prevent or detect and correct potential misstatements in the basic financial statements prior to filing them in the Hinkle system.

**CITY OF ALLIANCE  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2023**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>			
Finding Number	2023-002		
ALN Title and Number	Coronavirus State and Local Fiscal Recovery Funds – ALN 21.027		
Federal Award Identification Number/Year	2023		
Federal Agency	U.S. Department of Treasury		
Compliance Requirement	Procurement and Suspension and Debarment		
Pass-Through Entity	N/A		
Repeat Finding from Prior Audit	No	Finding Number	N/A

Significant Deficiency/Noncompliance

2 CFR sections 200.317 - 200.327 set the procurement standards to be followed when expending federal monies.

During the testing of compliance with the procurement standards, it was noted that five out of seventeen of the vendors/contracts tested were not properly procured in accordance with the procurement standards.

Not following the procurement standards may result in not receiving the best prices and result in underutilizing federal monies due to paying higher prices than needed.

We recommend the City review the procurement standards and establish policies and procedures in order ensure the procurement standards are followed when expending federal monies.



The City of

**Alliance,** OHIO, 44601-2415

"The Carnation City"

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**CORRECTIVE ACTION PLAN**

*2 CFR § 200.511(c)*

**DECEMBER 31, 2023**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2023-001	The City will implement a more detailed review of draft statements by the Auditor and Deputy Auditor in conjunction with our GAAP preparer to aid in the financial statement presentation.	2024	Kevin Knowles, City Auditor
2023-002	The City will update it's policies and procedures to help ensure the procurement standards are followed when expending federal monies.	2024	Kevin Knowles, City Auditor

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF ALLIANCE**

**STARK COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 8/27/2024**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)